

Development Initiatives *Of the People By the People*

Vol. II



L C Jain



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Preface

Development Initiatives

Of the People By the People

Vol. 2

L C Jain

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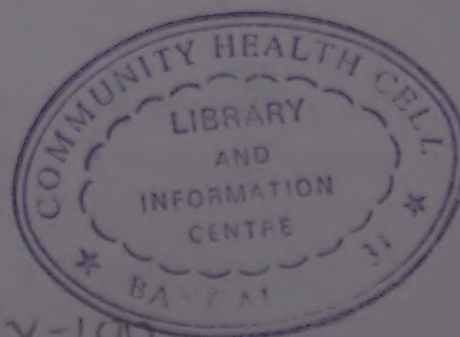
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Preface

ActionAid India is doing a great service to its constituents, and not just in India, by publishing L. C. Jain's writings for the national press at different, often turning, points of national life. Prof. Babu Mathew deserves at the outset a word of gratitude for having conceived this idea and pursuing it against some odds. I feel greatly honoured to be invited to write this preface, though it goes without saying that I remain entirely inadequate to this task.

It is simply India's eminent good fortune to have Citizen Jain. He embodies the virtues of democratic citizenship in his lifeworlds and his lifework. This is a superb biographical achievement in itself because not too many of us, towards the end of our lives, may look at the mirror and confidently say in the relentless solitude of self that we have had the integrity of pursuing our convictions beyond the opportunities and constraints of power, prestige, or profit.

But beyond this, this volume also reminds us, in so many ways, of the national archive of shame entailed in the forfeiture of the legacy of the Mahatma. It variously makes vivid the ways in which postcolonial Indian politics of governance, rights, and development have deprived us of the virtues and visions of that inestimable inheritance. L.C. Jain makes poignantly clear what we have thus lost and what may still be retrieved by willing coalitions of honest and reflexive citizens acting together.

What we have lost is the spirit of peaceful and non-violent social reconstruction. Lost is the art of listening to the other as constituting an integral part of one's own self, and not the other as already outside us. Lost almost altogether is the 'still small voice of conscience' that moved the Mahatma to some protean notions of Swaraj, not just as liberation from the empire but also (as the lamented Professor K. T. Shah used to describe it) the Swaraj in ideas. Lost therefore is the humility that the

notion of power as service for the people necessarily and so richly summons. Because of this, lost also are forms of civic courage in pacific confrontation in the face of politically triggered, and managed, catastrophes often misleadingly described as 'communal riots.' [Ask yourself when the postcolonial citizens of India had the daring to re-enact the Mahatma at Noakhali.] The loss of civic courage to pursue dialogical collective consensus further means that governance becomes and remains a trigger-happy and continually extra-constitutional violent affair. Counting these, and related, losses is one way of reading this volume indeed crucially important in the contemporary circumstance of a hyperglobalizing India, as some essays here so vividly demonstrate.

However, Lakshmi Jain does not belong to the new 'caste/tribe' of melancholic Mohandasians¹. He also differs greatly from the old style Mohandasians. Unlike the former, Lakshmi does not believe that all is lost and unlike the latter, he does not believe that constitutions and laws only signify the 'convenience of the powerful' (in the famous words of the Mahatma himself.)

Lakshmi Jain is an ardent constitutionalist, with a deep understanding of the spirit of constitutionalism. He not merely insists that the Constitution matters but also provides good reasons why it ought to. First, for Lakshmi the Constitution is not the estate only of justices, lawyers and other lawpersons; it belongs equally to all citizens and furnishes an archive of *ghar ghar ki kahniya* [the narratives of everyday life of all citizens.] Lakshmi thus translates the Constitution as affecting us all, for weal or woe.

¹ I avoid the term 'Gandhi' because it has been appropriated differently since his physical assassination and by the assassins of his memory. See, for further elaboration, Development a Human Right or as Political Largess? Does it make any Difference?, Founder's Day Lecture, Madras Institute of Development Studies (2006.)

² See, 'Guess Who is Afraid of the Constitution?' February 21, 2006.

³ See, 'Imagine Nagaland,' November 28, 2005, referring to the Communization Act.

Second, he constantly reminds us that constitution remains best viewed as a pact of peaceful social co-operation between the governors and the governed. A single sentence in this collection² suggests a kind of constitutional faith: 'If not the Constitution then which door are we to knock to move us forward.' Third, for Lakshmi the principle and detail of Indian federalism may not be grasped only in terms of power-sharing. Rather, this ought to be grasped as providing room for diversity in the pursuit of human and social development. He epitomizes the sentiment in a recent article when he says that 'Nagaland is often urged to swim with the mainstream. 'Nagaland is now inviting the mainstream to swim with it to gain in health and education.'³ Ever so gentle, Lakshmi resists here my description of the 'mainstream' as a 'cesspool.'

Fourth, the Constitution presents a continuous arena for collective social learning; with remarkable richness, Lakshmi reminds us constantly of the importance of learning from the postcolonial constitutional past as informing governance practices. He recalls names—such as Acharya Narendra Dev, Lohia, Vinoba Bhave, and Jay Prakash Narain, among equally luminous feminist others—with which the new generations of globalized Indian middle class youth remain scarcely familiar. More important, Jain makes these hallowed figures speak to us directly.

Fifth, and without being exhaustive, this collection reminds us that the Constitution itself provides a reservoir of standards for socially sensitive and responsible criticism of governance and politics. He urges us all that rather than engage in labors of inventing all over again new languages of social criticism of the ways of postcolonial governance, we should put to wise use the standards and norms thus already munificently made available by constitution-makers. This is ethical pragmatism at its very best, indeed!

As you see almost in every essay in this collection, Lakshmi revives constantly the Mohandasian agenda against corrupt and deeply corrupting governance cultures of contemporary India. Yet, what decisively matters is the fact that his remains

a gentle yet persuasive voice protesting the sheer barbarism of forms of contemporary political Indian governance. His is not a shrill and strident voice; his active pen does not demonize an adversary into an enemy; his writings constantly invite us to rise beyond the political passion of the day and invest our socially creative energies into dialogical alternatives even when contesting the worst excess of power. May I suggest that the spirit of this form of writing is as, even more, important as its letter? It is a spirit that suggests we all ought to speak with rather than to or past each other with the civic dignity that respects co-citizenship of all. What may this after all mean poses a crucial question that this eminently reader-friendly collection invites us to more fully consider?

I believe that the overall and precious response that Lakshmi offers here is this: it is a moral mistake for the governors to claim that human rights and social activist knowledges are always necessarily inferior to the logics and the prose of governance and equally it constitutes a similar mistake for the activist knowledge producers to claim that they have a singular access to knowledge and wisdom that the governors may not ever possess. The move ahead, then, lies in working together with both governance and activist knowledges but always vigilantly, that is to say neither set of knowledge may after all and ultimately serve the self-professed causes of servicing India's impoverished masses. Some of us in the activist worlds may indeed find it difficult to receive this kind of ethically mandated postures of humility. Lakshmi suggests overall, I think, that we sincerely pursue this rather untested constitutional and civic virtue.

Through continual presentation and re-working of Mohandasian agenda, Lakshmi resolutely suggests how it may still remain possible to recapture the otherwise seemingly lost terrain of social action and movement. And this remains for him no uncertain promise.

Lakshmi Jain has struggled all through his life to remind us that citizenship is not merely an affair of having fundamental human rights and freedom

but also a matter of historic civic responsibility. Because this contrast may be, and has all too often, appropriated by the powerful, he suggests wisely and well that we should neither elevate 'rights' over 'responsibilities' nor expediently trade off the one for the other.

This enables him, with deep and moving, insight to address in various haunting contexts the Monhandasian legacy –whether concerning the conditions of peace in the North–East, the formidable costs of human and social suffering imposed by non-participative, corruption ridden, and violently imposed 'public' projects, the languages and logics of governance accountability, the space of the 'local' within the 'national,' and the 'de-naturing' of performances of national public policy by leading governance institutions, including the erstwhile Planning Commission of India. As concerns the latter, I say 'erstwhile' simply because that Commission has now lost all of its post-Mohandas but yet precious Nehruvian edge so much so as to become a conduit of contemporary economic globalization; nothing will make me more constitutionally happy as a co-citizen to be proved entirely wrong in this prognosis!

In this volume, reviving resolutely the legacy of the Mahatma, Lakshmi brings home the virtues of writing clearly and simply and of the speaking to the governance 'other' not just as a disembodied ideological adversary without a 'soul' but rather as the part of the speaking self. His authorial intent is never masked in dense, and therefore socially violent, prose. This is a great virtue and I here speak as one so often, and perhaps not without good reasons, indicted with this 'vice' of writing! However, this Preface scarcely provides a site for my literary self-defence perhaps based on the view that because power so often and viciously embodies itself in complex languages, de-mystification of it also renders necessary recourse to equally complex languages. Reading Lakshmi all over all again and afresh now gives me a sure pause!

As a public intellectual –though I know in advance the many ways in which Lakshmi may caveat this hallowed description –his has been an eminent voice in civic and public affairs in contemporary India. I may say two 'things' by way of a rather

abrupt conclusion, thus guarding myself against further grandiloquence!

One: this collection needs a much wider audience, and in many Indian languages, reaching far beyond the shores of *ActionAid* India communities and towards making this a required reading in our schools and colleges, thus allowing a wider formative public opinion discussion; and for this reason alone I commend it to pursue this larger enterprise.

Two: it would be useful in a further volume, or a series of small volumes, to put together different voices, idioms, and languages that engage this distinctive Lakshmi legacy. Such juxtaposition will carry immensely forward not just the important messages of his textual legacy but also for lively contestation of the potential for the future of his social action strategies. In saying this, I have in view the inescapable languages and logics of difference. By this, I here suggest close attention to many different voices beyond the Mohandasian, which yet may not escape or eschew the Mahatma – in particular the Ambderkarite, the feminist and the post-feminist, the 'deep ecological,' and the varieties of post-political, post-secular, and post-Marxian human rights voices.

Each one of these labels, of course, misleads unless further seriously deciphered, a task that I may not here at all pursue, yet one that remains rather crucial. Yet, I believe that the very clumsy naming of these dialogical tasks remains important in the contexts of social anaesthesia and amnesia that the current conjuncture of a hyperglobalizing India continues to inflict on us all, especially those who still have somehow the residual daring to speak on the behest and behalf of the disadvantaged, deprived, and dispossessed masses of Indian citizens, that Babasaheb Ambedkar was moved to name as *atisudras* –the social and economic proletariat of India.

Having had the privilege of knowing and working often shoulder-to shoulder with Lakshmi emboldens me to hope that he would be among the first to welcome such further collective dialogue.

UPENDRA BAXI

Delhi, August 6, 2006

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Politicians and Police - Their role in a Democracy

How much police does a democracy require? Annual expenditure on the police (centre and states combined) has shot up from Rs. 1200 crore to Rs. 29, 000 crore between 1980 and 2004, i.e. over 24 times in as many years. At this rate it may exceed Rs. 40,000 crore by 2010. Yet, are the citizens feeling any more secure?

What should worry us more than the expanding police force however, is the deliberate dereliction of their role expected of our political representatives. The role expected to be played by political leadership in free India was outlined by Gandhiji on the eve of Independence. Communal rioting had broken out in 1946 in the erstwhile Bombay Province. Morarji Desai was Home Minister. Gandhiji advised Morarji 'you must go to meet the flames under the sole protection of God, not that of the police or the military'. If need be, 'perish in the flames in the attempt to quell them'. It is another matter that Morarji did not go to meet the flames, he consigned the police to the flames.

When the Congress ministries took office in the interim Government at the Centre in September 1946, Gandhiji insisted that 'the new ministries must resolve never to use British troops, no matter what their hue is, not even the police trained by them. They are not our enemies. But they have hitherto been used not to help the people but to keep them under the foreign yoke'. Gandhiji's advice fell on deaf ears.

Even years later the issue surfaced again when in 1953, under a PSP government in Kerala, four persons were killed in police firing on a

procession of protesting workers. Ram Manohar Lohia, PSP general secretary who was in prison at the time wired the Kerala Chief Minister Pattom Thanu Pillai, that the ministry should resign on moral grounds. Thanu Pillai refused to listen to Lohia and split the PSP in order to continue in office.

Come 1975, the Emergency altogether reversed the role and put the police above rule of law, above the politicians and civil authority. The civil magistracy especially in the Northern States was coerced into signing blank arrest warrants brought to them by police officers. Thus, for the first time the police, which had hitherto been trained to respect the supremacy of civil authority, tasted real power: to arrest whom they like unhampered by rule of law.

In principle, policing is not alien to democracy. Indeed, it is one of its necessary arms. In practice, however, the role and relationship of the police with the spirit and institution of democracy continue to be unclear, if not troubled. Even an established democracy like Britain has not been able to evolve a satisfactory answer as revealed by a UK study, *Democracy and Policing*. It found that despite substantial increases in public expenditure on policing, there was continued rise in crime rates and it was producing no tangible results 'at least in terms that the electorate would recognize'.

Relevant to us are other observations of the UK study. Public services, it says seldom figure in any discussion of democracy, which tends to focus mainly on the political institutions: parliaments, political parties, electoral systems.

But, in a modern democratic state, the way in which public services impinge on the life of citizens may be more important, as the embodiment or negation of the democratic ideal, than parliament or central government. The protection of liberty, social and economic opportunities and the ability of individuals to shape and develop their lives are crucially affected by a range of public services of which policing is arguably the most crucial. True, the police are established, governed and regulated by statute in a democracy, but 'the fatal flaw in that view is the false assumption that the rules and regulations laid down by statute largely determine the pattern of policing'.

The study reports some welcome developments which have a lesson for us. The introduction of police-community consultative committees to improve articulation of the citizens viewpoint, education of the citizens about the nature of the police, tackling of conflicts between police and particular community groups and encouraging of community efforts in crime prevention. But these consultative committees in UK had been only moderately successful because the composition of the committees showed that they had generally excluded representatives of the particular communities which are often in conflict with the police and were over represented by pro-police elements.

Most striking UK example is the impact on policing registered by exposures by women's groups and media. 'Just one film of a CID interview with a rape victim was enough to tip the balance against a whole tradition of dealing with this kind of case'. Alas, in contrast, democratic institutions – parliament, consultative committees, police authority "do not appear to have played an important role in the development of policing policy".

We are a country of one billion people plus. It cannot be governed by even the best of police sans energetic governance by political representatives. Thus while the role and behaviour of the police needs to be transformed, we must at first reform the conduct and character of those elected to govern. It is no easy task to come out of the pit into which we have fallen. But come out we must to protect our democracy. A beginning can be made by each gram sabha and ward sabha resolving to maintain peace and harmony in their area without recourse to the police. Further, like Kundapur's school children (Asian Age 21st May 2005) the panchayats should invite police with their families to community functions and festivals to make them feel human



Imagine Nagaland

Five years ago the Government of Nagaland launched an innovative programme and gave it a fascinating title: 'Imagine Nagaland'. It aimed to involve members of both civil society and government officials together to dream of Nagaland of the future and to design plans to realize the dream.

A crucial challenge was how to bring back to life the massive welfare infrastructure and network of governmental delivery services which had become 'ineffective and dysfunctional' and in which the community had lost faith. The quest led to the evolution of the unique 'communitisation' approach which sought to pool the extensive resource base of the government and the richness of latent social capital within Naga society. A first step was legislation: The Nagaland Communitisation of Public Institutions and Services Act 2002.

The Communitisation Act paved the way for transfer of ownership of government assets to the community; delegation to the village committees of powers of management and supervision over the functioning of government employees. To ensure accountability of government employees to local communities, the

village committees were entrusted with payment of salaries to employees. In turn the village committees were to bear the responsibility for maintenance and augmentation of community assets.

By common consent between government and local communities, two areas were chosen for prior communitisation: elementary schools and rural health sub-centres. The implementation of this plan began in 2003. Even though it is too early, all concerned in Nagaland thought that an independent evaluation of implementation and impact would help them to be on the right track. A team of professionals from organizational development consultants of Chennai was detailed for the assessment.

The report of the team now available shows that communitisation of primary schools has shown a steady improvement in enrolment of both boys and girls in all the communitised schools studied, with zero percent dropout rate in 23 of the 28 villages covered and significant improvement in teacher attendance. Teacher attendance improved to more than 90 percent in 18 of the 28 schools studied; 80-90 percent in

5 schools, and 70-80 percent in the remaining 8 of the 28 schools in the seven districts. The district with the best teacher attendance rate is Zunheboto.

What is good and long awaited news is that improved attendance of teachers has led to improved attendance of students. Also improved punctuality of teachers has led to improvement in punctuality of students. Not only has it led to increased student enrolment, there is higher passing percentage. Improved teaching in classroom has led to more home study amongst children, rated by parents as the most important benefit. This rekindling of new life in primary schools has prompted Village Development Boards (VDBs) to make financial contributions to schools for repair, refurbishing and extended infrastructure. In the overall, communitisation has generated a 'sense of ownership' of the schools by the community which is contributing materials and labour to repair schools.

What has been the impact of communitisation on health services? There is significant increase of more than 50 percent children accessing the health centers across all villages. In some villages, such accessing is over 100 percent e.g. in the villages of Phek district and around in Kacharigaon in Dimapur and Sangratsu in Mokokchung districts. Significant increase of 30 percent is reported in the number of girl children taking treatment especially in villages Kacharigaon, Jotsoma, Sangratsu, Losami, Phek town and Tuensang town. And, believe it or not unauthorized absence of government health staff has been reduced to zero percent in all the villages! It should be the envy of every village in the country.

Nagaland is often urged to swim with the mainstream. Nagaland is now inviting the mainstream to swim with it to gain in health and education.



Community Development

- A Dream Stifled

The national community development programme was inaugurated by Nehru 53 years ago in October 1952 with inspiring objectives. Foremost being: transformation in the outlook of the people and generation of the habit of co-operative action through popular bodies. The programme rested on the belief that social change can come only through united efforts for increased employment and production - to be planned and implemented by the villagers themselves, government offering technical and financial assistance to every family through panchayats and cooperatives. The programme was to encourage women's and youth movements and assist in the implementation of land reform programmes and developing facilities for education and rural sanitation.

VT Krishnamachari (VTK) then deputy chairman of the planning commission defined the yardstick with which the success of the programme was to be judged: has every family in the community project area got a plan of improvement for which it puts forth its best efforts and utilizes the improved techniques? And, has every family in the area become 'creditworthy'? VTK added that there should be a change in our outlook also - we should 'give up the idea that we are here to force our programme and plans on the villagers'.

Three years down the road there was growing criticism in Parliament and press that the contribution of the programme to 'development' specially in raising food production was *peripheral* and in general 'publicity about its achievements had outpaced its performance'. Further, the

Programme Evaluation Organization (PEO) of the Planning Commission reported that the benefits of the programme were being absorbed mainly by well-to-do landowners.

In 1957, a nationwide and indepth review by the Balvantrai Mehta Committee concluded: 'one of the least successful aspects of the programme is its attempt to evoke popular initiative, the time has arrived to replace all these bodies *by a single representative and vigorous democratic institution to take charge of all aspects of development work in the rural areas*. It suggested that such a body, has to be statutory, elective, comprehensive in its duties and functions, equipped with necessary executive machinery and in possession of adequate resources. *'It must have the power to make mistakes and to learn by making mistakes'*. It cautioned that this body can function effectively 'only if it is the sole authority for all those development programmes which are of exclusive interest for the area. The Government should divest itself completely of certain duties and responsibilities and devolve them to such a body'.

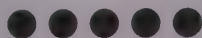
Alas, this advice remained buried deep as Prime Minister Rajiv Gandhi was to discover thirty repeat thirty years later in 1987. He told Parliament: I toured hundreds of villages. I spoke to countless people. There, in their hearths and homes, I experienced the cruelty of an unresponsive administration, the oppression of an administration without a heart, the callous lack of compassion that most of our people find at the hands of much of our administration'. It

prompted him to propose an Amendment to the Constitution to incorporate the Panchayat Raj and Nagarpalika bills as 'instruments for bringing democracy and devolution to every *angan* (front yard) and as also a charter for ending bureaucratic oppression, technocratic tyranny, crass inefficiency, bribery, nepotism, corruption and the million other malfeasance that afflict the poor of our villages, towns and cities'.

These Amendments (73rd/74th) were passed unanimously by Parliament in 1992. However, a

standing committee of Parliament which reviewed the Ten-year (1993-2002) progress was dismayed to find that implementation by both the Central and State governments was not only 'woeful' but the dereliction was 'wilful'. Recall, the reasons and objectives of the 73rd Amendment were to *impart certainty, continuity and strength* to these institutions of self-government.

So, we can chant it again and again: certainty, continuity and strength till those who take oath to preserve and protect the constitution can hear it.



Women usher in Politics of Presence

Women's representation in local government is creating a 'politics of presence', concludes an evaluation report of the project for Associating Elected Women representatives in the Southern States of India. The project aims to strengthen the collective assertion of political power by women; to bring in, with greater effectiveness the concerns and the ideas of women into governance; to enable the association to articulate and negotiate political and economic agendas; to develop a political voice for women in state and national level politics; and to shift, if not shake, gender relations both at the family level and at the public place level.

The project launched about three years ago by the Karnataka Women Information Resource Centre (KWIRC) tried to transform women's voice into the 'articulate' voice. It was observed that given the opportunity- women can perform better than men- 'the unimportance of being woman' has been scratched out from the spectrum. The experience reveals that women attempt to address the more vital needs of women. As such, they work on schemes for bringing piped water into the village, inspect development works and nutrition centers, basic needs of life and pay particular attention to the children's education. The project was evaluated recently to examine whether the 73rd amendment has proved to be a boon for women and secondly, has the idea of collectivity enabled them to articulate and transform their power?

The study covered 160 selected women members/ respondents from nine districts of Karnataka i.e., Mysore, Chamarajanagar, Bijapur, Koppal,

Chikkamagalur, Bellary, Bidar, Raichur and Gulbarga where federation has emerged. The majority of the representatives surveyed were not literate and belonged to families from the weaker sections. Of the 160 respondents, 53 were dalits and 67 OBCS and 24 from Scheduled Tribes with incomes that place them below the poverty line.

One of the striking findings is that though they belong to so called oppressed class with illiteracy on their shoulders, the women could insist on their views being taken notice of in good governance. A majority of respondents pointed out that some of the factors viz., lack of education, inadequate disposable income finance, low access to information about the actual management of the Panchayats and lack of exposure to the outside work inhibits their effective functioning. They felt that to bring about all round development in their villages, problems related to availability of basic amenities such as water should be solved.

A majority of the elected representatives had not competed for the second term for various reasons. However, a considerable number of them had contested the elections for the second term and a good number of them had contested it from general constituencies i.e. other than 'reserved' constituencies. A higher number of women have reported that they decided to contest the elections out of their own will to serve people rather than succumbing to external pressure from others like husband, family or influential people. They suggest that popularity (public support) and prior work record are the

major factors that decide the fate of the contestant in an election. However, a few believe that money and muscle power and other factors also matter.

Eight out of ten respondents hold that they have benefited from their interactions in the federation formed by them with help from KWIRC. One factor that helped them was programmatic information provided by the federation. They learnt more about health (105), grants for the panchayat (105) and rural sanitation (104) which helped them in their functioning. 98 said that they

benefited by information on rural water supply schemes. 92 benefited by information on poverty alleviation schemes and 84 by agriculture related activities.

More importantly, the federation has helped them to participate in several struggles for a social cause like anti-arrack struggle, eradication of child labour and fighting atrocities against women.



Executive is immune to Parliament

Thanks to a dynamic National Malaria Institute Director Col. Jaswant Singh, in the 50's, Delhi got rid of malaria. But after some years the mosquitoes reappeared and so did malaria. What happened? The mosquitoes had meanwhile developed immunity to their killer – the DDT. This episode came to mind while reading the 2004-2005 report of the Standing Committee of Parliament on Ministry of Rural Development. Though the Constitution has made the executive accountable to the legislature but in practice the executive has developed immunity to the legislature. Sample the terms of indictment sprayed by the committee on the performance of major rural programmes: highly disappointing, the committee is disturbed, the committee are distressed, the committee are shocked. Incidentally, similar adjectives were bestowed by the committee on the rural development ministry in previous years too with not an iota of difference.

In the present report, the committee examined the major rural development programmes costing over Rs. 11,000 crore implemented in 2004-2005 e.g. Sampoorn Grameen Rozgar Yojana, SGRY, Rs 5100 Crore; Swarnjayanti Gram Swarozgar Yojana, SGSY, Rs 1000 crore; Indira Awaas Yojana, IAY, Rs 2500 crore; Pradhan Mantri Gram Sadak Yojana, PMGSY, Rs 2468 crore. Since the rationale of SGRY is rozgar, wage rates are of the essence. 'It is highly disappointing', says the committee, that the Government could not provide information on minimum wages paid to the workers of the SGRY in respect of all the States. The committee found that there is wide variation, in some cases one

hundred percent, in the minimum wage paid in different states. For example, the wage rate for the same kind of work in Kerala, is Rs. 91, while in the adjoining State of Karnataka it is Rs. 46.25p per day. Part of SGRY wages are paid in foodgrains. The Committee found another appalling fact that the quality of rice as obtained from sample packets was not of eatable quality.

Besides, while incidence of starvation deaths is on the rise, the government could not care less and is sitting ugly on stocks of food and cash. The proof is that the Committee note with concern that the unutilised stocks of foodgrains with State Governments were as high as 16.18 lakh metric tones as on 31 March 2004. The committee urges the Government to cover on a priority basis all the villages from where starvation deaths have been reported in the media recently. Not only foodgrains, the Committee found that there are huge opening cash balances with the State Governments under the major rural development schemes viz. SGRY, SGSY, IAY. The Committee are distressed to note that about Rs. 2300 crore i.e. above 19 percent of the budgetary allocation in 2002-03 remained unspent with the States.

Ten per cent of the total outlay of the rural development department is earmarked for the North Eastern Region since 2000-01. The committee are constrained to note that in 2002-03, the expenditure position from this special fund is stated to be nil and from 2003-04 to 2004-05, the position has been stated to be 'not available'.

SGSY was launched with stress on formation of self help groups. Under the scheme each self help group is expected to assist at least 10 persons belonging to families below poverty line. 'The Committee are unable to understand as to how 17.35 lakh self help groups reportedly formed during this period could assist only 20.21 lakh swarozgaries which should have been about 85 lakh to 170 lakh. The committee are shocked to note also that credit mobilization target to support these groups has never been achieved by the commercial, cooperative and regional rural banks since 2001-2002.

Then a final blow. The committee are 'disturbed to find that the zamindars, their servants and labourers constitute self help groups. The benefits were thus taken away by the zamindars who are above the poverty line and who are otherwise not eligible for it'. The scheme was launched 'with an end to having assisted every family above poverty line within three years'. That appears to have remained a distant dream.



Precious development lessons buried at birth

From the beginning of our development journey, pilot projects were set up to 'learn' and then multiply successful lessons. Alas, in practice we refused to learn let alone multiply the proven ideas. A glaring example is the *Whole Village Development Programme* (WVDP) initiated by the National Commission on Agriculture in the Fifth Plan (1974-1979). 38 pilot WVDP projects were taken up through selected grassroot organizations. One such organization being the Banwasi Sewa Ashram in Uttar Pradesh.

First, a word about the background of Banwasi Sewa Ashram (Ashram). UP witnessed a ferocious famine in 1952 when food had to be dropped by helicopters to several villages. At the instance of Govind Ballabh Pant, then UP Chief Minister, the Gandhi Memorial Fund established the Ashram in an adivasi area deep in the Kaimur range of the Vindhyan system to serve four hundred villages. Led by Prembhai and his wife Ragini Prem – a medical doctor, the Ashram pioneered many innovative ideas. One being the establishment of *Gramkosh* (village fund) made up of small contributions from the village community for mutual aid. Then, a people's institutional framework for development starting with a *gram swarajya sabha* at the base consisting of all family heads in a village. The Sabha undertook rectifying land titles, consolidation of holdings and water conservation. All landless families were to be allotted land either from bhoodan lands or government wastelands. Farmers were to repay the costs of development in installment into a village revolving fund.

The results encouraged the National Commission on Agriculture, which after a field study evolved the concept of 'whole village development' with four basic thrusts: mobilisation of people's action for community development; initiation of a process of sharing the resources and means of production; organisation of services with technical guidance; and training of community leaders and village technicians.

In 1980, the Planning Commission asked the Agricultural Finance Corporation of the Reserve Bank to evaluate the results of the pilot WVDP project organized by the Ashram. The study reported:

Activities:

- to start with 1000 families in 100 villages were selected and a benchmark survey done of their socio-economic status;
- priority was given to creating records of titles to lands and to watershed management;
- the programme has been implemented in an integrated way that most of the families participated in all the complementary development schemes;
- 202 locals were trained as bare-foot technicians who manned health posts, repaired pumpsets, maintained accounts;

Impact:

- land development by itself has made very significant contribution to bringing more area under crop and increasing cropping intensity;
- per capita income is estimated to have increased from Rs. 160 to Rs. 278 in a matter of 4 years;
- the programme has helped in decreasing indebtedness of the families to money lenders. The percentage of families indebted decreased from 43 percent during 1974-75 to 23 percent in 1978-79;
- people are willingly and regularly repaying assistance received in to a village revolving fund. In 1979, 1571 families had paid back an amount of Rs. 3.69 lakh;
- the health programme has helped immensely covering over 98 percent of the families.



Dr. M.S. Swaminathan, then member Planning Commission was thrilled 'the evaluation report shows what can be done by paying integrated attention to the really relevant problems prevailing in a particular area. He hoped that the lessons will be taken to other parts of the country'. The year was 1980. That was the last time the concept of whole village development was heard of. Instead, isolated programmes, named after successive prime ministers, conceived by central ministries and not by village sabhas, mushroomed. The dismal fate of such central programmes was reported in *Executive is immune to whatever Parliament says*, in Asian Age, January 27, 2006.

Guess who is afraid of the Constitution?

Guess who is afraid of the Constitution?

TURN RIGHT BACK, DANGER AHEAD: CONSTITUTION OF INDIA! Frighteningly, major executive arms of the state today are turning their back on the Constitution of India, the Directive Principles and Amendments 73rd and 74th.

The Planning Commission tops the list. The 1950 Government Resolution had spelt out the terms of reference of the Planning Commission thus: "The Constitution of India has guaranteed certain Fundamental Rights to the citizens of India and enunciated certain Directive Principles of State Policy, in particular, that the State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social economic and political, shall inform all the institutions of the national life and shall direct its policy towards securing, among other things:

- that the citizens, men and women, equally, have the right to an adequate means of livelihood;
- that the ownership and control of the material resources of the community are so distributed as best to subserve the common good; and
- that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment".

Perhaps fearful that its policies are infact furthering 'concentration of wealth and means

of production' in fewer hands in violation of its terms of reference, the Commission has erased from its view the Directive Principles. From the original 1950 Resolution, its annual report 2004-2005 has retained only the assigned 'Functions' editing out the governing perspective.

Then, in 1991 Parliament was told that 73rd/74th Amendments had become imperative in the darkness of all round mauling of panchayats by indefinite postponement of their elections and by starving them of minimum financial nutrition. The Amendments were intended to lend panchayats "certainty, continuity and strength". The Amendment erected two instruments to ensure compliance with its intent. First, a State Election Commission (SEC) for direction, control and conduct of all elections to panchayats within the stipulated period. As is known, SEC's are struggling against unlawful interference by state governments. In several instances SECs have sought the protection of the Supreme Court.

Another supporting instrument created is State Finance Commission (SFC) to assign financial resources from the state kitty to panchayats. However, soon after the Amendment came into existence the government started to subvert the mandate. Instead of devolving functions and funds to panchayats they launched the now infamous MPLAD and MLALAD schemes for 'local area' development as if the 'local area' of MPs and MLAs is different from the territory covered by village panchayats. Besides, governments created "parallel" bureaucratic

structures to siphon away the resources meant for the elected panchayats. The Standing Committee of Parliament has condemned these parallel bodies, as also the continued administrative hold over the annual budgetary provision of Rs. 70,000 crore for the 29 subjects assigned to panchayats by the Eleventh Schedule.

What is worse, the State governments have disabled the SFCs from functioning effectively. At a recent conference of SFCs organized by the Rajiv Gandhi Foundation it came out that several states do not constitute SFCs on time, nor constitute them at one go, nor provide them with

the required manpower or data. In the event the 'SFC reports are of low quality', says Dr. Rangarajan, former Chairman of the 12th Finance Commission and currently Economic Advisor to the Prime Minister. He also points out that while the Union government as a convention accepts all the recommendations of the Central Finance Commissions, several recommendations of SFCs are not accepted by state governments. Many of those accepted are not acted upon.

If not the Constitution then which door are we to knock to move us forward.



Who is pocketing the budget splurge?

When we learnt that our budget is spending only 15p per underfed child in the country (Asian Age 15 April) our curiosity was aroused to find out who is garnering the gigantic sum of Rs. 5,63,991 lakh crore budgeted to be spent during the next twelve months: april 2006 to march 2007. In simple terms we can say that the government will be spending on an average Rs. 5,639 for each of India's 100 crore citizens. But don't get carried away. This largesse is not designed to be spread equitably among all the citizens in accordance with their voting power; alas not influenced even by their stars. But how then? Answer to this is provided in the budget documents by the Finance Minister via Swami Vivekananda: "We reap what we sow. We are the makers of our own fate. The wind is blowing; those vessels whose sails are unfurled catch it, and go forward on their way, but those which have their sails furled do not catch the wind. Is that the fault of the wind? ...We make our own destiny."

In the context of the budgetary resources, it is the 34 lakh Government employees (this number excludes defence personnel) who have already unfurled their sails to catch the fiscal whirlwind. This is especially so since the implementation of the Fourth Pay Commission Report in the 80's, which as the Ninth Finance Commission said plunged us into deep fiscal crisis. And, imagine what will happen with the Sixth Pay Commission round the corner.

Look at how the government will raise this gigantic sum of Rs 5,63,991 lakh crore? One

fourth of it or Rs 1,48,686 crore will come from market borrowings which get converted into public debt. Public debt is galloping relentlessly from Rs 2,054 crore in 1950-51 to its budgeted rise to Rs 15,98,746 crore in 2006-07. This "increase is due to continuing dependence on debt resources to finance the Government expenditure," says Expenditure Budget, Vol 1 2006-2007.

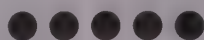
Debt means interest burden. Equally alarming is the fact that our additional annual market borrowings are mainly to meet annual interest charges on outstanding debt. Between 1980-81 and 2004-05, interest charges have escalated from Rs. 2,957 crore to Rs 1,90,517 crore. The proportion of interest charges to market borrowings has also risen in this period from 40 percent to 94 percent. Did you say we are at the mouth of a 'debt trap'? The Ninth Finance Commission in 1989 had urged that 'measures should be taken to slow down the growth of public debt'.

In 1992 the then Finance Minister Manmohan Singh explained that interest charges reflect the cumulative effect of past deficits and resolved to reduce the reliance on borrowed funds so that "my successors will be able to sleep far more peacefully than has been my lot thus far".

RBI points out that mainly due to larger expenditure on administrative services, interest payments and pensions, 'the share of non-developmental expenditure has increased'. And

added that 'declining share of developmental expenditure in total expenditure indicates deterioration in the *quality* of expenditure'. Note also that Defence which used to claim one half of the budget in the early post-independence years now occupies the third place (after interest payment and administrative costs) with Rs 51,500 crore in 2006-2007. For example, in India, the Infant Mortality Rates (IMR) as given in National Health and Family Survey (NHFS), 1998-99, in the case of poorer families is about double that of their better-off counterparts and as for child mortality the poor lose three-times more children than the middle class.

The Finance Minister hereafter proposes to publish an outcome budget to generate public confidence that the expenditure is doing its duty. However, we can probably live with the rising volume of expenditure on Government Staff. But to rely on borrowed money to pay them is a recipe for disaster though not as bad as our children dying of malnutrition by the minute. Let alone cloth for sails – they have none even for a coffin.



Cultivators Driven to Suicide

'The work of the National Commission on Farmers is quite depressing because of the current hardships faced by small and marginal farmer families leading to occasional suicides,' says an anguished MS Swaminathan chairman of the National Farmers Commission. But these hardships are not current but aged and chronic.

Remember Chirala. 'No, no, it was not starvation death we did a post mortem and found some grains of food in the stomach', said the chief minister of Andhra in the 80's when Frontline, India Today and others published frightening accounts of starvation deaths of handloom weavers in Chirala.

Media reports could be dismissed. What about findings of systematic studies by prestigious institutions. For example, the National Institute of Advanced Studies (NIAS) researcher A.R. Vasai, looked at 'Agrarian Distress in Bidar' in 1999. The study gives details of eleven individuals who committed suicide. Many of these were under debt. The weather fluctuations of two years (1996-98), and the resulting crop-loss, had increased the indebtedness of cultivators. The non-availability of non-agricultural employment and institutional credit compounded the hardships.

Vasavi said, many who borrowed did so not only for production purposes, but also to subsist. Their situation is representative of the larger and more pervading despair and despondency gripping the agriculturists in the district. The study profiles situation of one village Siddehwara.

Siddeshwara is a temple-based village with a Basava statue at its entrance. It is home for six hundred households or a population of four thousand in the district. Its clutter of thatch, stone and mortar houses are linked by narrow by-lanes, which with the onset of the monsoon are run over with water, sewage, excreta and cow-dung. Despondency seems to be the ruling tone; poor climate, failed crops, an inefficient local administration an indifferent state apparatus. They list their problems with ease – "the rains are unpredictable, for the past two years the winter or rabi rains have arrived at the time of harvest. Unseasonal rains have destroyed crops and the outbreak of pests has increased". The pesticides are ineffective, though vast quantities of pesticides are bought and sprayed. The pests and crop diseases have claimed the fields.

Government compensation for crop loss is inadequate. How can a person who has lost several thousand rupees per hectare be compensated with a few hundred rupees? The amount that is offered as crop compensation and the process to procure it is an insult. The government has disbursed cheques for sums so paltry that it does not even cover the cost of the bus charge required to encash the cheques at the district or taluka headquarters. Credit is hard to obtain. Most people take loans from local creditors. "For close to two years now there is little or no income. With increased costs of cultivation, many cultivators have incurred large debts only to be unable to repay them. What are the alternatives?"

In addition to the attending effects of impoverishment, there is the stigma and loss of honour attached to being indebted and penurious. Shivaraj Mainalle, aged 45 years had five children, the oldest was in the 6th standard. He owned about 2.32 acres of land and was a sharecropper for another six acre or so. For two years in succession he lost all crops due to weather and pests. His debts mounted. He spent

20,000 rupees on pesticides alone. When pressed by the creditor to return the loan, Shivraj committed suicide. The most popular brand of pesticide sold in the region is endosulpham. Its advertisement jingle, "friend of friends, enemy of enemies".

Government response was: send psychiatrists to the regions.



Narmada – what's the fuss

The general impression is that since, in 2000, the Supreme Court gave a go ahead for raising the height of the Sardar Sarovar Dam why is the Narmada Bachao Andolan (NBA) creating a fuss now? The crucial fact generally not in the public eye is that the go ahead given by the Supreme Court was *conditional*: The court ruled that the height of the dam could be raised only step by step – 5 mts at a time, and before each step the families likely to be submerged must be rehabilitated *six months prior to submergence*. Despite these firm and clear directions, the opposite has happened: construction of the dam is ahead of rehabilitation. Construction has many champions, the uprooted families only an NBA.

Look at the history of Sardar Sarovar Project (SSP). Despite the genuine urgency of harnessing water to tackle drought, for 18 years, from 1961 to 1978, the four states involved Gujarat, Madhya Pradesh, Maharashtra and Rajasthan remained atloggerheads. Though drought and dispute prevailed, delay stones such as are being thrown at NBA these days, were not in fashion then. Ultimately the Narmada Water Disputes Tribunal was constituted by the Central Government to decide it for the States.

The Tribunal gave its award in 1979: At the time the Tribunal was at work, Independent India had gathered over 30 years of experience with building of dams. While many engineering feats had been accomplished there was gross failure in rehabilitation. Taking cognisance of this experience, the Tribunal took pains to spell out in detail the content and conditionalities relating

to rehabilitation: no state could pour a kilo of concrete without first resettling the displaced families *one year prior to construction and six months prior to submergence* and the core of rehabilitation prescribed was: land for land and resettlement village community wise. These conditionalities were accepted by all the states without demur. No one told the Tribunal that land for land was not feasible (which is the song we hear today).

But when implementation started the proposition was reversed as if we were no longer a democracy. Construction arrived first on site, rehabilitation not in sight. That forced the uprooted families to organise and fight for their survival and rights. The NBA was born in the early 90's. With a well documented petition NBA convinced the Supreme Court that rehabilitation conditions laid down by the Tribunal were being violated. The states failed to combat the NBA facts. The court put a stay on further construction of the dam in 1994. The authorities were told to come back when they were ready with some credible steps. It took them six years to return to the Court. To whose account shall we debit this six year delay?

The Court vacated the stay in 2000, but it put severe conditionalities: Dam height could be raised only 5 mts at a time, affected families rehabilitated *six months prior to submergence*. Lo and behold, the same story again: construction outpacing rehabilitation. In 2005, the court came down heavily on such lapses and told the states to abide by Tribunal and Court directions on rehabilitation.

In 2003 Madhya Pradesh decided that official reports on claiming completion of rehabilitation will have to be got verified by the gramsabhas. But latest MP reports on which the Narmada Control Authority gave approval on March 8, 2006 for raising the height of the dam to 210 mts, were *not*, repeat not, got verified by the gram

sabhas. When it applied for copies of the reports under Right to Information, the door was banged on NBA.

Understood what the "fuss" is about and for whom the fuss tolls?



Kindling community action in urban areas

It is not quite a revolution. But it is a stir – and a promising one. Its significance lies in its urban locale. There is a widespread belief that ‘community’ action is confined to rural areas. The urban areas have large population – but it is mostly amorphous mass indifferent to its civic responsibility.

Ward No. 55, one of the 100 wards of Bangalore municipal corporation is witnessing a welcome stir through its federation: *abhyudaya*. It started some four years ago under the stimulus of Janaagraha – a citizen’s initiative to stir the urban pot in this and other wards (The Asian Age, 16 July 05). Citizen’s participation is helping to raise municipal revenues and suggest specific measures to improve living conditions.

Tax collection from ward No. 55 has gone up from Rs. 2.3 crore per annum four years ago to nearly Rs. 7 crore this year i.e. by over 300 percent. Against this the total money spent on infrastructure in the ward is hardly Rs. 2.5 crore during the past 4 years. Abhyudaya believes in participation and is prepared to extend its co-operation to any genuine attempt to set things right, but not for pre-election publicity gimmicks. “We may even resort to no-tax campaign. This is not a threat but an expression of the anguish of the citizens fed up with a series of false promises”.

Consider the solid waste management. It is improperly planned. The truck which is supposed to collect garbage was earlier coming at 11 o’ clock and collecting the garbage dumped by the autos at various collection points. But now the truck for no understandable reason comes at

7 am with the result that all the garbage brought by autos to various collection points after 7 am remains uncleared till next day and stray dogs, rag pickers etc spread this garbage at night resulting in unhygienic conditions in the entire locality.

Parks are the lungs of a municipal Ward. Even though many parks have been formed in ward 55, most of these parks are still not open to public officially. Some of them have been completed more than six months back. “How long are we to wait for the official inauguration of these parks?” Since the green cover for the ward is hardly 30%, planting of roadside trees in a planned way is required. The citizens have volunteered to take care of the trees planted.

Storm water drains (SWD) is another major problem. In every stretch of SWD either it is encroached upon partially or completely thereby blocking the drain resulting in flooding of neighbouring areas. Retaining wall of SWD has collapsed resulting in effective reduction of the carrying capacity of the drains.

The most heartening development is the change in social outlook. Ward committee admits that earlier when the ward budget was discussed with the corporation, the influential sections bent the budget for their areas. But on Janaagraha’s advice the committee walked through the entire ward to discover that a major part of it had slums, which did not have any elementary civic facilities. It changed their outlook. They then decided to press for higher allocations for the deprived areas where living conditions are truly awful. They have become alive to their social responsibility

for all citizens – and this has brought them closer to each other or become a 'community'. In a fitting tribute Janaagraha's moving spirit Ramesh Ramanathan has been named as the head of the National Urban Renewal Mission.

The office of ward no. 55 is located in what is called "India Garage". The idea they have generated is too large to be contained in a garage. So, why not drop garage – just call it India.



Wake up call by Election Commission

At the time of Independence we inherited a number of institutions, almost readymade, e.g. the legislatures, the courts, civil service. But one institution did not exist then: the Central Election Commission. It is a post-independence gift. It is a critical instrument to ply our democratic boat which carries 600 million voters across 7 lakh polling booths. It has evolved rules of the electoral game mostly observed by all players: political parties, contestants and voters. It has earned public confidence for fairness.

Few would remember that we owe its basic operational design and rules of fair play to Sukumar Sen, first Chief Election Commissioner (CEC). Our gratitude to him for laying good foundation. Luckily his successors too have been worthy. But we need more good luck. For, the challenges our polity faces today are unprecedented. Some of these were flagged recently by CEC BB Tandon at the Third National Workshop on Electoral and Political Party Reforms, at Patna in February 2006, organized by the Association of Democratic Reforms. But before that, some snippets predating our First General Election in 1952.

In June 1951, Nehru wrote to R R Diwakar, I & B Minister "I think it will be right for us to allow the use of AIR to recognized parties during the elections to broadcast a little before election." Later in August 1951 he told Diwakar "I am almost inclined to think that it is better to ban all election broadcasts, including those from the Congress, as there are far too many parties and it is difficult to draw the line." In September 1951, Nehru learnt that UP Congress leader C B Gupta

who was collecting money for the Congress for the coming elections had asked industrialists to arrange 2000 jeeps, and warned that those who did not arrange would be "sorry" and "end up in jail" Nehru wrote to G B Pant. End of story.

Now, the highlights of BB Tandon's address at Patna. One, in the General Elections to Lok Sabha 2004, out of 3182 candidates, 518 cutting across all major political parties had criminal antecedents. Nearly 115 of them made it to the Lok Sabha. The Election Commission has suggested to Government that such persons should not be allowed to contest an election till cleared by the Court. It also wants the political parties to deny tickets to the people with criminal background.

Two, civil servants and police officials are expected to perform in a neutral manner. Their acts of omission and commission can disturb the level-playing field. The confidence of opposition parties in civil bureaucracy and state police is eroding by the day. Their impartial behaviour, can play an important part in reducing the role of money and muscle power in the elections. There have been demands for posting central para military forces. This is a very unhealthy trend.

Three, other causes of concern today are improving the fidelity of electoral rolls, providing information to an average elector to be able to make informed choice at the polls. Electors should keep an eye over the expenditure that is made by various candidates.

Four, our electoral laws do require some amendments to meet the new challenges and needs of ever evolving democratic system for the cause of good governance. The Commission has given 22 electoral reform proposals to the Prime Minister. These are pending (pending for 8-10 years!).

Tandon praised emerging vibrant support the Commission is receiving from NGOs. "A good beginning has been made, yet a long way is to be covered."



Auditor General

– it is a thankful job

Come 1947 we had freedom in our hand. But soon as Nehru described it we were at 'the brink of chaos'. We inherited a war-ravaged economy and partitioned instruments: the administration, army, railways, irrigation system et al. We were faced with gigantic problem of rehabilitation of millions of uprooted persons and 'colossal administrative problem of bringing over 500 princely states in a uniform system'.

Every nerve counted. So also every paisa. There was little in the kitty. Our annual budget in 1947 was Rs 200 crore. In that desolate hour the leadership showed grit and imagination. It initiated planned development to lift morale in the immediate and material conditions of life in the years ahead. Finance Minister, John Mathai was striving to find the resources. Suddenly, as he told Parliament he was "greatly heartened by a communication in 1951 from an ordinary villager who had remitted a sum of five rupees and promised to remit a similar sum every year" for rebuilding India.

Underscored was also the moral imperative of using every rupee fruitfully. Look at the institutionalised safeguards for accounting and audit put in place by Articles 148 to 151 by the Constitution. It established the Comptroller and Auditor-General of India (CAG) to be responsible for accounts and audit. He is to be appointed by the President but can be removed from office in like manner as a judge of the Supreme Court. To preserve integrity, CAG is debarred for holding further office under the Government after he retires. To ensure his independence from

bureaucracy CAG is empowered to charge its administrative expenses upon the Consolidated Fund of India. (Alas, this facility is denied to the Election Commission. Reasons should be obvious).

Initially the task of CAG was simple – expenditure was mainly on pay and allowances. But soon the volume of annual expenditure grew in geometrical progression from the base of Rs 200 crore in 1947. In 58 years since Independence our total expenditure has exceeded eighty-one lakh crore rupees. The challenge for CAG is not merely one of quantitative jump in expenditure, but its manifold qualitative dimensions. Most taxing for CAG is to assess justification, of the expenditure. For example, the departments of Science and Technology comprise of Atomic Energy, Space, Bio-Technology, Agricultural research etc. Then there are new intricate areas of Government involvement: petro-chemicals, power, steel, telecommunications, shipping.

CAG has been in tune with new challenges. Besides audit, it has initiated Programme Appraisal Reports which are insightful and instructive. Here is what CAG found, for instance, about Drought Prone Areas Programme (DPAP) "Rs. 2195 crores spent on DPAP alone; Drought prone area increased from 55.3 m ha in 1973 to 74.6 m ha in 1995; run-offs not measured; survival rate of plantation was very low". The rural employment programmes involving thousands of crore of rupees, have provided employment in the last decade for a mere 31 days in the year. Its Pay and Accounts office teams

found in 2001 that Rural Development Ministry's District Development Agencies were maintaining multiple bank accounts and furnishing false utilization certificate. 2005 report of CAG points out that over 55,000 utilisation certificates were outstanding from ten Ministries alone, and despite directions to the country further grants were released to defaulters. In official circles CAG

is called 'Cagey'. Happily the dictionary says cagey means 'shrewd; not forthcoming, unapproachable, self-contained.'

CAG may be driven to say "'it is a thankless job'". "No, Sir", says the poor villager who gave five rupees to start us on this journey, "it is a thankful job".



Panchayats: their added value

Naxalism has extended from 16 to 160 districts. All we hear is that more paramilitary forces are being deployed. It was therefore music to hear Panchayatraj Minister Manishankar Aiyar flag a message he had picked up at the three-day conference on Panchayats at Vigyan Bhavan (23-25 June) that there is a non-police way of halting the spread of naxalism. Aiyar said that he had heard that in tribal areas, where the Panchayat Extension to Scheduled Areas Act (PESA) is effective, and where there is respect for traditional institutions, customs and usages as stipulated in PESA, there is an absence of Naxalism. Hence implementation of PESA and the holding of meetings of the Tribal Advisory Council as stipulated in the Fifth Schedule of the Constitution, he added, is "critical to ending the Naxalite menace that threatens our unity, stability and democracy."

The participants underscored that Gram Sabha activism and social audit are the only way of securing better and cleaner governance at the grassroots. It has been brought out that in States where there is better governance in terms of law and order, there is better panchayatraj.

Difficulties, failures and setbacks not withstanding, it was encouraging to hear the panchayatraj revolution being portrayed by this conference as a "long term process." Today nearly 2.5 lakh elected Panchayati Raj Institutions, which, along with the urban local bodies, constitute an army of some 32 lakh elected representatives, with proportional representation for Scheduled Castes and Scheduled Tribes (and Other Backward Classes in many States). Most dramatically, PRIs and Urban Local Bodies have thrown up 12 lakh

women representatives. And, one half of the total of 32 lakhs representatives are youth below 35 years of age.

Attention was drawn to the three-point democratic deficit in our system, namely, representativeness limited to its arithmetical sense; the deficit in the mandate for panchayatraj despite going as far as we could in stretching the Constitution; and the deficit in an intelligent political relationship being established between the different tiers of our hierarchal system of governance, resulting in panchayats being perverted into instruments of patronage rather than participation.

The answer lies in two other thoughts placed before the Conference, both based on the perceptions of the Mahatma: one, that Gandhiji's demand was for Village Republics, not Village Kingdoms established through a nexus between the BDO and the Sarpanch. PRIs must function democratically and transparently and be accountable to lively Gram Sabhas. The other thought brought to attention was Gandhiji's concept of governance as oceanic circles spreading outwards as in the ocean without any one circle imposing itself on any other.

The Conference endorsed the Big Bang approach to devolution in Kerala, which has rendered such remarkable results compared to the incremental model preferred by far too many of the other States. Also that funds must be made available to PRIs in such quantum as to reach a critical mass. The funds should flow untied. Devolution with strings attached will be a debased form of devolution.

While panchayatraj is revolutionalising social relationships in the countryside in the three vital areas of promoting development, strengthening democracy and ending discrimination, it is also true that policy makers need hard facts for a sound, scientific, scholarly approach towards policy-making for panchayatraj.

Aiyar concluded on a haunting note. It is a horror that while in terms of millionaires, India ranks

eighth in the world, in terms of the Human Development Index it ranks at 127. That in essence is the heart of the development dilemma with which the country is faced.

Panchayats are not a panacea – but they can ply our boat to a wholesome life.



Cry the unbeloved displaced millions

In the 30's a blind beggar was a frequent visitor to a street in old Delhi. As soon as they heard his voice the householders would go into stony silence. Though blind the beggar could feel their presence. He would chant: *sunta hai per bolta nahin pyare ram* (dear god, you are listening but do not answer).

Look at the scene today. In 2000, the Planning Commission acknowledged that "25 million persons have been displaced since 1950 on account of development. Less than 50% have been rehabilitated – the rest pauperised by the "development process". Mark pauperized. This inspite of the repeated policy pronouncements that 'rehabilitation of the displaced would be such as to make them better off than before'. Currently, the rehabilitation woes of the thousands uprooted by the Narmada Project are in the fore. But the ailment is wide spread and chronic.

Take the Bhakra Dam. Nehru dedicated it to the nation in 1963. Years later when the Union Irrigation Minister KL Rao visited it he recorded "it is curious how we handle our projects. The village of Bhakra on the bank of the river Sutlej was submerged. The Dam resulted in great suffering to the people of the village, but nobody took note of the people's representations. I found that the new village of Bhakra had neither drinking water nor electricity though surrounded by blazing brilliant lights. This was indeed unfair. I asked the Bhakra Management Board to supply both power and water to the village. The Board

thought this was not a proper charge on the project. This indeed was an absurd approach".

Consider also the key results of a 1984-85 Survey by a scholar under the guidance of noted economist Pravin Visaria. The Survey found that 'the rehabilitation programme offered to the oustees of the Panam project in Gujarat was far from adequate and could not sustain the previous level of living of most of the oustees'.

In 2001, NC Gundu Rao of the Deccan Herald reported that for the Naval Sea Bird Project being set up at a cost of Rs 25,000 crore near Karwar in Karnataka "while over 8,000 families had been evicted from their hearths and homes, official data admitted that only half that number of families were going to be relocated." Such largescale variation raises serious doubts about the dependability of the official methodology.

A more recent study 'Voices of the Uprooted: Consultations with the Displaced People from Orissa's Development Projects,' by Balaji Pandey, Director Institute for Socio-Economic Development, Bhubaneswar, captures the cruelties heaped on the uprooted everywhere: ranging from Sundargarh and Jharsuguda in the north to Koraput and Malkangiri in the south, from Nuapada in the west to Dhenkanal in the east. Again, the plight of the displaced people is the same be it irrigation dams, coal and iron mines, thermal power stations, steel plants, defence projects, or wildlife sanctuaries.

Pandey adds: invariably the authorities show callousness in recording the number of eligible families and undervalue their land and homesteads in the matter of compensation. In some areas, the authorities even forcibly removed the population from their old habitat. In almost all the cases, the project authorities rejected the choice of the displaced families and dumped them on resettlement sites that were unsuitable for their living. Most of the displaced families

having lost their land and other sources of income, were reduced to wage labourers moving from one place to another. Are these notes any different than what Narmada Bachao Andolan has been bringing home to us?

Ofcourse the officials are protected by a notice board at their entrance: don't disturb, we are busy with your development.



Panchayats – Kerala back in lead

The recent change of guard in Kerala has brought back the government that under the inspiring leadership of E.M.S. Namboodiripad had put life into panchayati raj in Kerala over a decade ago. The Government in Tiruvananthapuram has quickly picked up the threads to be spearheaded by stalwarts of panchayat raj: Paloli Mohammed Kutty as Minister for Local Self Government and T.M. Thomas Isaac, Minister of Finance.

The steps to strengthen decentralization include: the Rural Development Department, which existed under a different Minister has been integrated with the Local Self Government department; at the official level, Urban Development, Panchayati Raj and Rural Development have been brought under one Principal Secretary in the unified department; DRDAs have been abolished and integrated with the District Panchayats; Participatory planning in which Kerala had earned a good name for the 11th Five Year Plan is being renewed. The focus areas identified are: Local economic development mainly through integrated watershed management (for the primary sector) and Rural Business Hubs (for secondary and tertiary sectors); public service delivery improvement especially through hospitals, schools and anganwadis.

Karakulam, a model panchayat, is continuing with its experiments in different areas of local governance with focus on good governance. It has set up a '*grameena patana kendram*', to provide high quality consultancy services to other local governments.

Recall, Kerala had fired the first thought-provoking shot in 1978, via the note of dissent in the Asoka Mehta Committee Report by EMS Namboodiripad. He listed first the points of full agreement in the committee: Political parties should be allowed to participate effectively at all levels. We have reached, he said, a stage of political evolution when it would be unrealistic to expect that political parties would keep themselves away from these elections; All the staff engaged in development that is now available at the district and lower levels will have to be placed under the elected representative bodies; Similar to the lack of will that is attributed to the political executive an administrative will to work an alternate system should also be developed. Till now, control has never included a horizontal coordinating point.

As far as State heads of departments go EMS called for a radical alteration: "The Constitution according to me, failed to envisage an integrated administration in which, apart from the Centre and the States, there will be elected bodies which will control the permanent services at the district and lower levels. Democracy at the Central and State levels, but bureaucracy at all lower levels - this is the essence of Indian polity as spelt out in the Constitution; It was with such a centralized administration as its core that Panchayats were envisaged in the Constitution and the Balvantray Mehta Report. It is, therefore, not surprising that neither the bureaucrat nor the politician at the States level is prepared to decentralize whatever power has been conferred on the State under the Constitution. The point is to adopt what is called four-pillar democracy".

Based on another remarkable Kerala initiative, the Union Ministry of Panchayati Raj is considering a National Round Table Conference of Speakers of Legislative Assemblies to mobilize support for panchayat raj. In August 2005, there was such a Conference of MLAs on strengthening panchayats in Kerala, sponsored by the Kerala Legislative Assembly at the initiative of its Speaker. Kerala Chief Minister, ministers and most MLAs attended. Somnath Chatterjee, Lok Sabha Speaker and Manishankar Aiyar, Minister, Panchayati Raj were special invitees.

That conference provided an opportunity for the MLAs to understand that their own interest lay in supporting Panchayat Raj. Article 243 G has left much to the State Legislatures to specify. That is where MLAs have opportunities to support or thwart devolution. This kind of exposure and mobilization of MLAs had not been pursued systematically in any State.



Part II

Assault On Poverty

100-year betrayal of Poor - What's the credibility of lenders?

A hundred years ago in 1904 the first cooperative credit societies Act was ushered in 'to make small, short term loans for productive purposes', with membership limited to 'men of small means'. But soon the membership was 'thrown open to all' defying the caveat that credit cooperatives were not to be used by 'persons for whom they were not intended'. But till today the national lending agencies continue to serve mainly the unintended persons.

The All India Rural Credit Survey undertaken by the Reserve Bank after Independence, found that in 50 years between 1904 to 1954, only three percent of the cooperative credit had gone to the 'men of small means'. The Survey concluded that 'cooperation has failed' but added 'cooperation must succeed'. Its recipe for ensuring success was 'state partnership in share capital and state representation in management of cooperatives'. Its reasoning was orthopedic: 'one may consider an institution for the rehabilitation of crippled children struck down by the malady of infantile paralysis... no one has yet suggested that those children should depend on themselves as much as possible and form themselves into a mutual association for individual rehabilitation'.

Initially, Prime Minister Nehru had given his support to the recommendations of the Survey, but within three years he told the Third Cooperative Congress in 1957: Now, I want to make a confession to you, and that is that I think our Government was quite wrong, in accepting some of the decisions of the RBI Survey which have tended to push the cooperative movement in this country in the wrong direction. What was

this wrong direction? There was a tendency on their part to distrust our people, a tendency to think that they are not competent enough, that they cannot do a job by themselves: that, therefore, Government officials must come in and help, that Government money should push them up. It does not allow the people to learn how to do things for themselves, how to develop a spirit of self-reliance, self-dependence, and even to make mistakes if they have to make mistakes, which is the essence of the cooperative movement.

Disregarding Nehru's indictment, the Reserve Bank continued to implement the 1954 Survey. Forty years later in 1997 an RBI committee headed by Prof. A M Khusro concluded: the 1954 Survey had proposed that the Government should become a partner with the cooperatives in promoting this sector but this partnership of farmland and rabbits, as it were, virtually destroyed the spirit of cooperation and made the cooperatives an adjunct of the Government. Cooperatives thus became non-performers.

Earlier, in 1979, an RBI committee headed by B. Sivaraman concluded that the supply of credit to the poor had not improved and gave birth to the National Bank for Agricultural and Rural Development (NABARD) in 1980. The Sivaraman committee outlined the approach to be adhered to by NABARD: 'the normal criterion of banking that a family of rural poor is not credit-worthy will have to give place to the concept that many of the poor can be brought into the mainstream of economic development through credit-worthy programmes. For successful implementation of the programmes for the rural poor, it is necessary

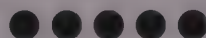
to identify them as target groups. These are: small/marginal farmers, agricultural labourers, rural artisans, scheduled castes and scheduled tribes'.

Has NABARD paid much heed to its birth charter? The shocking answer is NO. By 2001, after twenty years of NABARD only about 16 percent of the 82 million holdings of marginal and small farmers had received institutional credit; 84 percent of them were still in the clutches of the money lenders. Besides, in the matter of short-term credit for seasonal agricultural operations, there are pronounced inter state disparities. In 2002-03, Andhra's share in the short term advances was 20 percent of the all India total, while that of Bihar was a mere 0.6 percent and that of UP 7 percent. In other words the share of the two most populous poverty-stricken rural states – UP and Bihar, was less than 8 percent, while the proportion of marginal/small farmers in UP and Bihar is over 33 percent of the all India total as against 9 percent in Andhra.

On the other hand deviating from its set priorities NABARD has found a soft diversion and has pumped about Rs 6000 crore to self-help groups which by themselves may be deserving, but are not a substitute for NABARD's primary constituency namely the marginal/small farmers.

Recall that in 1969, when *garibi hatao* became the central political mission, commercial banks were nationalized to provide credit to vulnerable groups termed as priority sector - the poor rural agricultural producers constituted its core. Each year the nationalized banks were obligated to advance to the priority sectors a minimum fixed percentage of their total advances. Alas, the nationalized banks largely failed to do so. In 1995-96, the Finance Minister came to their rescue and created a Rural Infrastructure Development Fund (RIDF). The defaulting banks were instructed to deposit into RIDF a sum equal to the annual shortfall in their lending to agriculture. It gave the nationalized banks an easy escape from the ordeal of lending to millions of marginal and small farmers. Starting with Rs. 350 crore in 1995-96, the shortfalls swelled to over Rs. 16,000 crore by 2002-2003.

What is shocking is that the sums deposited in RIDF are those denied to the millions of *garib* individual agriculture borrowers and diverted to finance a few large 'projects' in limited number of locations. For example, at the end of 2002-03, sanctioned projects from RIDF to Andhra totalled Rs. 3650 crore, while the total for Bihar was Rs. 456 crore.



Employment eluding Growth

'In what period would it be possible to deal with the unemployment problem?' asked Nehru, presiding over the second meeting of the National Development Council (NDC) in May 1955. Prof. P.C. Mahalanobis said: 'if hand industries could be activated the fear of unemployment could disappear during a period of five years'. He added that the number of jobs which could be created were dependent also upon the pattern of investment. The employment component of heavy industries was low while it was high in the case of small scale and cottage industries.

C.D. Deshmukh, then Finance Minister also underscored that from the employment point of view, it was necessary to examine the pattern of investment. Prof. D.R. Gadgil emphasised that there should be greater emphasis on employment and from this point of view the increase in consumer goods should, as far as possible, be through the small scale and cottage industries. The term "common production programme" was, he said, intended to cover both the machine and the hand sector. Led by Nehru, all at NDC were agreed that village industries had to be encouraged. The principle of reservation of fields for village industries was accepted, and the need to translate in concrete terms the policies laid down in the Plan especially production programmes for large and small industries, was stressed.

On a review of progress in combating unemployment in the first two decades (50's and 60's) of planned development, Prof. Raj Krishna found that "the grave national problem of

unemployment had defied solution in spite of two decades of planned development ... reason is the tragic phenomenon of positive unemployment growth associated with a positive output growth." This revealed that in effect no check had been exercised on the pattern of investment despite the directions of the 1955 NDC meeting.

There was no correction of course even during the 70's and 80's. Employment continued to find an honourable mention in the budget speeches in Parliament. Indira Gandhi, who also acted as Finance Minister in 1970-71 said: 'the provision of adequate employment opportunities is not just a welfare measure, it is a necessary part of the strategy of development in a poor country which can ill-afford to keep any resources unutilised or under-utilised'. Five years later in 1975-76, Finance Minister C. Subramaniam, admitted that 'there was little improvement in the twin problems of mass poverty and unemployment and that there has perhaps been a worsening of conditions in large pockets.'

The reforms introduced in 1991 by then Finance Minister, Dr. Manmohan Singh attributed these distortions to excessive State control over the economy which he proposed to dismantle and to foster labour-intensive pattern of industrial production to tame unemployment. After ten years of implementation of reforms the Planning Commission reported in 2002 that "the employment generating capacity of the economy - and especially the organised sector vis-a-vis the GDP growth was 'declining fast over time (1983 to 2000)', in spite of the fact that during the same

period GDP growth accelerated from 5.2 to 6.7 percent per annum". The explanation offered was shocking: 'there has been an even more significant decline in the labour intensity'. This was the very opposite of what economic reforms had promised. The Planning Commission reported also that in the late nineties the organised sector had in fact reached 'almost a near jobless growth' while in agriculture, 'employment growth touched near zero'.

We have now been invited to focus on the national rural employment guarantee programme (NREG). But we must not be blind to the fact that NREG is a mere palliative. It is necessary but far from sufficient. It is not a substitute for self-sustained employment which can be generated from the production system alone.



Rozgar Badhao

Come 2006- a cheerful note from the Prime Minister who says the Centre has plans for '*rozgar badhao*' - increasing employment in labour-intensive sectors such as textiles and housing. All we can say to the unemployed is good luck.

But to the extent our policy makers are relying on global markets to enable us to realise our employment expectations we would do well to be aware of the weather conditions abroad. Just read the 2004-05 World Employment Report of the International Labour Organisation (ILO). It warns that rising 'economic interdependence has neither been inclusive nor uniformly beneficial. Economic interdependence is coinciding with imbalances, asymmetries and inequality in the world'. The report adds: it is a straightforward proposition that if people – in particular, the 550 million people working in poverty – were able to earn more from their work, then poverty would decline.

Besides, 'it is not just any work that can raise people out of poverty; what is needed is *productive work*'. For this the strengthening of property rights over land appears to be an important element. It cites the 1978 rural reforms in China, which entailed a shift from collective to household farming, are credited with engendering increases in agricultural productivity and an explosion in town and village enterprises which have been the engine of growth in China up to the mid-1990s.

Coincidentally, Amartya Sen addressing the scientists at Hyderabad on January 3rd, underscored precisely that proposition: The

rapid growth of the country's economy in the recent past notwithstanding, India cannot become a major player in the global economy unless it completed the land reform process. It was important to unleash the kind of energy that China had done to emerge as a global player, for which land reforms were extremely important. The land reform process, which kept the economies of States like West Bengal, where it was fairly complete, floating, was substantially incomplete in the country. 'There is considerable stagnation in the agriculture sector', says Sen and reminds us that our vision of India cannot be one that is half California and half sub-Saharan Africa.

Is agriculture itself still relevant to development? asks ILO: A certain degree of labour and capital mobility is no doubt good for productivity growth – indeed, this is what structural transformation is all about – but is a certain degree of employment stability also important? The world employment report shows that the direct and indirect employment and economic effects of *labour-based* projects can often be superior to those of *equipment-based* projects. While this is self evident in terms of employment outcomes, beneficial effects are further expanded indirectly, as income earners have more to spend in the local economy.

A strategy for increasing productivity and employment over the long run should have dual components: investing in the dynamically growing sectors of the economy, while building capacity in sectors where the majority of labour is employed. Establishing linkages in the supply

chain between the two is one mechanism. The challenge it says, is to find the right balance in fostering the development process in all the three sectors – agriculture, industry, and service – simultaneously while making employment a central objective of macroeconomic and social policies – rather than a hoped for outcome of policies that, more often than not, do not directly address the employment challenge.

The Prime Minister called upon the 6000 delegates to the Indian Science Congress at Hyderabad 'to bring about a second green revolution, which would have a special focus on dryland agriculture and would address the needs of small and marginal farmers'. What the PM said is not new. There have been numerous such policy pronouncements in the past. But what could be new is a seeming determination to land this idea – hopefully on dry-land.



Employment key to Development with Dignity

"Despite almost six decades of India's independence, dehumanizing poverty afflicts a large section of Indian masses", says a recent publication of the National Book Trust titled: Development with Dignity, authored by eminent economist Amit Bhaduri. This title provides the rationale for the National Employment Guarantee Programme launched in 200 backward districts by the Prime Minister on February 2. PM said it is aimed at 'removing poverty from the face of the nation'.

There are some hopeful signs that the programme might succeed in its mission. Even as PM was launching the employment programme in Bandlapalli in Andhra's Anantapur district, a group of MLAs, agricultural scientists and social activists were meeting in Bangalore under the auspices of the Singamma Sreenivasan Foundation to chalk out civic initiatives in support of the programme in five backward districts of Karnataka – Gulbarga, Bidar, Raichur, Chitradurga and Davanagere. They have formed a *rachnatmak karya sabha* (constructive work association) to activate and assist panchayats in these five districts since the responsibility for planning and implementation of the employment guarantee programme has been assigned by law to the panchayats.

Specifically, the sabha aims to help the unemployed men and women who register with the panchayats for work to obtain work and wages fully at the prescribed rates and without delay; and to assist panchayats to prepare village area plans for suitable works on which the unemployed are to be engaged. What invested

these deliberations with hope was that the MLA from Gulbarga, Dr. Sharan Prakash Patil is extremely well informed about the objects and the details of the programme. Besides, he has had wide discussions with local leaders and administrators in his district. This is a significant pointer to the legislators in the 200 districts where guaranteed employment has recently been made operational.

Another good news comes from the Bangalore-based Public Affairs Centre (PAC) headed by Prof Samuel Paul former Director IIM Ahmedabad. PAC is planning to independently monitor the process and progress of implementation of the programme in Karnataka and other states. These monitoring reports are to keep Parliament well informed each quarter. Hopefully, other institutions like PAC in the country are planning to act likewise.

However, it will be naive to take for granted the support of all economists and intellectuals for the programme. We should not underestimate their influence which will be necessary to ensure continued policy and budgetary support for the programme. Failure, in implementation, if any, would be the grist for the skeptics' mill. Here the reasoning in Development with Dignity by Amit Bhaduri is of immense value. Bhaduri reaches out to the intellectuals in their own idiom: 'participatory democracy aims at giving the poor a sense of full participation in the economic life, both as producers and as consumers. This is the only way to bridge the gap between our political democracy, and its gross economic distortions. It is possible to do so by moving rapidly towards

a full employment society. Indeed, this is the only way open to eradicate the poverty and indignity around us in a reasonably short time. Development with dignity would become the process by which political and economic democracy is brought closer through higher productive employment for all. However, employment must be defined appropriately for this purpose. It has to be the driving force of a process sustainable over time, without lapsing back from time to time into poverty and unemployment'.

Ultimately, more than the force of the intellectual argument it is the handsomeness of the results that will fortify the employment guarantee programme which with all its inadequacies is a constructive design for development with dignity.



FDI in retailing will unemploy millions

Remember K. L. Sehgal?

woh to hai ek moorakh baalak, tu
to nahin nadaan,

ek haath se ghade khilone, paon se todat
jaye

While we were heartily hailing the launching of the *guaranteed* national rural employment (NREG) programme to ease the distress of the unemployed, the government has embarked on a diametrically opposite and destructive course. It has allowed foreign direct investment (FDI) in retailing which could throw out of existing employment several times more persons than NREG could possibly employ.

Retailing is one economic activity where millions upon millions of people in India are engaged with least burden on the resources of the state or the banking network. The government could not profess ignorance of facts and figures about the size and characteristics of our retail trade and the gainful employment it provides which were brought to its notice by its own national Economic Census in 1998. (next Economic Census is due in 2008). What does this Census tell us?

Number of persons engaged in the country in retailing is as high as eight crore, three fourths of whom are males and the rest women. Sixty percent of the employed are in rural areas and forty percent in urban areas. There were a total of 2.3 million establishments in retail trade. Other significant characteristics are (1) that a majority of those engaged in retail trade are employed in *own - account enterprises* i.e. without hired hands and 80 percent are completely *self-financed*.

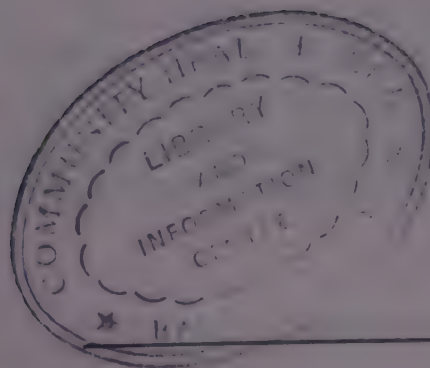
A former economic advisor to the Prime Minister and Union Finance Secretary, S. Narayan has vehemently condemned the decision to allow FDI in retail. He says that "Retailing is no rocket science", that "FDI in retail trade is neither a requirement of capital, nor of technology, only of certain partisan interests". Further that "investments that a Wal-Mart may bring wouldn't make sense in all cities; for the complex Indian consumer market, major chains can contribute little; the left's argument is also right; there's no need to rush on relaxing FDI in retail".

The Government cannot also pretend that it is unaware of the havoc the retail giants are heaping next door in Asia, especially the impact they are having on wages of workers. Junya Lek Yimprasert, of the Thai Labour Campaign, says the multinational corporations are "roaming" across the countries of the developing world. She shows how in the first round Nike used Mexico for its output manufacturing, then as the price of the labour went up in Mexico they moved to the Caribbean and from the Caribbean to East Asia, from East Asia to countries like Thailand and now they were into Bangladesh. In each case both the wages that were paid were further pushed down and the terms on which the labour was employed was also further undermined. She deplores how developing countries were engaging in what can be called *flee biting flee* - each trying to attract the multinational by giving them easier and easier terms, land, taxation.

Policy makers are explaining that permission for FDI in retail is severely limited. But we know from experience that in the past multinationals

first entered India on promise of 'export obligations' which were allowed to evaporate in due course with official connivance. Already in a separate order government has allowed FDI in 'wholesale' trade which is worse even at first sight. The public is entitled to full disclosure of

the facts and grounds on which the Government has allowed FDI in retail and now wholesale. And did it consider likely negative consequences on the existing sources of livelihood and employment of crores of people.



PDS: Locking Out Leakages

Here is a salutary message for New Delhi from the village panchayats: there are some chronic ills plaguing the country which are better cured at local than Central level. The continued colossal leakage of foodgrains in the public distribution system (PDS) is one such example.

Let us recall what is expected of the public distribution system: it is to 'provide food to the poor at prices they can afford as an integral part of the strategy of poverty reduction' says the Planning Commission. Having failed for decades to reach subsidised foodgrains to the poor, in 1997 the Central Government devised a new scheme: Targeted Public Distribution System (TPDS). In 2000 the Mid Term Appraisal reported "despite hefty increase in the annual food subsidy from Rs. 2, 450 crores in 1990-91 to Rs. 9, 200 crores in 1999-00, all is not well with public distribution system in India. There is 36 percent diversion of wheat, 31 percent diversion of rice and 23 percent diversion of sugar from the system at the national level. TPDS does not seem to be working in the poorest North and North-Eastern States".

In 2003-04 Planning Commission's Programme Evaluation Organisation (PEO) found 'annual leakages of food grains targeted for the poor households were an estimated eight million tonnes'. Repeat: leakage of eight million tonnes of foodgrains intended for the poor households!! Now, the Mid Term Appraisal 2005 has produced a magician's solution: to set up an – 'e' Food and Nutrition Security Watch Panel in the Planning Commission consisting of nutritionists, social scientists, development practitioners, bureaucrats, NGOs.

The panchayats took this solution to be a joke. Led by DR Patil the local MLA they decided to step in. The chairpersons of all the gram panchayats in Gadag met in June 2005, alongwith local officers of Food & Civil supplies

department, Tehsildars and panchayat officials: to find effective ways 'to end the diversion of subsidized food to black market'. They concluded that public distribution system requires a day and night watch at the village level and decided to induct gram panchayats for direct supervision of the system.

From July 2005, they introduced an incredibly simple method: *double lock* the foodgrains godowns. One lock by the fair price shop owner and the other by the gram panchayat. Foodgrain stocks to be checked on arrival by the panchayats. Besides, at night with double lock on the godown there will be little scope for black marketing by shop owners. This scheme of the Gadag area panchayats is backed by a formal order of the Karnataka Government.

For a check on actual distribution of food grains to persons having Ration Cards, they have set up an *Aahar Khatari Samiti* (Food Assurance Committee) in each gram panchayat. The Samiti is headed by Chairperson of the Social Justice Committee of the gram panchayat. Other members include one gram panchayat member each belonging to scheduled castes and scheduled tribes and one woman member. For transparency, a copy of the allotment order of foodgrains to each fair price shop is endorsed to the respective gram panchayat. The gram panchayat Secretary is responsible for collecting the copy of the allotment order from Taluka Panchayat, on behalf of the Samiti. Again, foodgrains allotted to each fair price shop are to be transported to the village gram panchayat from wholesale point, under direct supervision of food inspector and secretary gram panchayat. The trucks on arrival are unloaded at the village godown in the presence of Samiti members.

They also have a dream: that one day they can make arrangements to distribute the foodgrains at the doorstep of a card holder.

Whither Jharkhand after five years

Jharkhand State was born in 2001, carved out of Bihar. Many in the state believe that Jharkhand has the potential to become India's most developed state. Harivansh, chief editor of *prabhat khabar*, hindi daily, puts it poetically: here was a blank palette waiting to be turned into a prized painting.

The Jharkhand Development Report (JDR) 2006 sponsored by *Prabhat Khabar* is, however, saddening: the State's gross domestic product has not demonstrated any distinct improvement; the only redeeming feature is reduction in the number of out-of-school children; the state government has not focused on development of water, sanitation, irrigation and drinking water which have been crying for prior attention; there is insecurity among cultivators - they have yet no legal right on the land they cultivate; infrastructure remains as much of a problem as it was five years ago; and the problem of Naxalism is also as bad today.

Another progress report by PRIA in 2006 looks at march of Jharkhand through the 25 year journey of a prominent voluntary organization - *Lok Jagriti Kendra*, spearheaded by several veterans of JP led Bihar Movement of the 70s. Its title says it all: *panchayat ke bina Jharkhand: adhura vikas aur aprabhavi lok tantra* (Jharkhand without panchayats is development by half and ineffective democratic governance).

Problems of Jharkhand are deep seated. At its very birth the state had two crushing historical weights hanging on it. First, 20 out of its 22 districts are categorized 'backward'. Second, the remaining two districts are loaded with heavy industry: steel plants, Jamshedpur, Bokharo, Rourkela; Heavy Machine Tools, Ranchi; and coal

mining alias Dhanbad. Steel, heavy machine tools and mountains of coal they produce are all for the nation at large. From this huge industrial production Jharkhand itself receives limited local employment or means to subdue the backwardness plaguing its 20 districts.

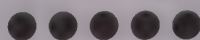
The heavy industry infact took its toll before it opened its account. Jharkhand means *van ka pradesh* - land of forests. During colonial rule its forest cover was shrunk in Ranchi district alone by half - from 2281 to 1276 sq. miles between 1901 to 1948. Public sector coal corporation acquired over 1.20 lakh acre area uprooting about 32,750 households from their land and livelihood, but only about 12,000 of them were able to find employment. The rest were 'pauperised' according to Mid Term Appraisal 2000.

In this setting the foremost challenge for the new state was to empower its vast population with the 'institution of self government' - panchayats as mandated by the 73rd Amendment to enable people themselves for economic and social advancement and thus to give the new state some ground level strength. Regrettably Jharkhand has not had panchayat elections till today. "It is the failure of the political system of the state", says Prabhat Kumar, the first Jharkhand Governor.

The absence of panchayats has grave implications for Jharkhand. As stated earlier 20 of its 22 districts are backward. Ofcourse that disability has helped them to be included in the National Rural Employment Guarantee Programme (NREG) launched in February 2006. But under the NREG Act panchayats are pivotal for planning and implementation of work. Instead of getting on with panchayat elections with speed, the State government is indulging in unsavoury manipulations exposed by the press:

'DUMMY' Panchayats: with the panchayat polls still an uncertainty, the Cabinet directed the Panchayati Raj Department to carry out the process of nominating gram pradhans/mukhiyas in all the non-scheduled areas in consultation with the locals and through the DCs and BDOs.

Besides being unconstitutional dummy panchayats can produce only dummy results. Time the people of Jharkhand exerted pressure on their Government to live upto the popular aspirations which inspired their struggle for statehood.



A new deal for unorganized workers?

May 2006 report of the National Commission on Enterprises in the Unorganized Sector chaired by Prof Arjun Sengupta, focuses on the 340 million workers in the informal sector of our economy. They constitute 86 percent of the total employment in the country. They sweat for their livelihood mostly unaided and uncovered by any social security measures.

Beginning with Prof P.C. Mahalanobis the planners have been aware of the size and significance of the informal sector. Specially its employment dimensions and potential for supply of wage goods with least consumption of capital. Regrettably the measures initiated to tend to this sector have not been enough, systematic or sustained. There is absence of any form of promotion, protection or facility for covering such risks as ill-health, accidents, death and old age. It is the recognition of such gross deprivation of these workers that prompted the Manmohan Singh Government to appoint the Sengupta Commission. The Commission's 281 page report and recommendations are very worthwhile but alas off the mark.

The Commission has failed itself in devising appropriate instruments for operationalising its benign social security package. It lost sight of the fact that its constituency comprises of an awesome number: 340 million workers or 1700 million persons @ five persons per worker-family; and that they are *unorganized*. Any external supply of care and cash to them can succeed in its mission only if the recipients are first encouraged to form their associations. This indeed is a precondition.

On the contrary, what the Commission has proposed is a top down bureaucratic nightmare – a National Social Security Board, with state counterpart level Boards, District committees et al. The process is to start with registration of individuals by the district committees. Imagine 340 million workers being so registered by official apparatus! Let alone corruption inherent in all types of official registration mechanisms, it will be a miracle if in ten years the proposed paraphernalia could cover even ten percent of the total workers.

And what will be the content of that coverage? The package proposed by the commission is confined to 'social security'. Besides, it is to be delivered in isolation with commercial security which these units need most for their survival in the rapidly changing Indian economic landscape. The insecurity they face in their economic existence is externally induced by current public policies which care little for the fate of the unorganized workers.

Japan has long been a place of pilgrimage for India to study how their tiny manufacturing units are able to perform with notable economic efficiency usually associated with 'scale'. In Japan the 'smallness' of the operating unit is regarded as an economic virtue to be preserved. At the same time Japan recognises the disabilities the small manufacturing units suffer from. To overcome the disabilities effective measures have been put in place to provide overhead services organized on a larger scale for linkage with markets - both for inputs and outputs; with sources of technical knowledge and credit.

At each prefectural (municipal) level the small units in Japan are helped to form themselves into two types of associations – one geographical, the other trade-wise. These in turn are federated similarly by region and trade at prefectural level. There a multipurpose service center has been set up to think and provide need based services to these units. The elected prefectural body often provides 'protection' when needed e.g. by buying

local production for bulk trading to avoid distress sale. The prefectural centres are overwhelmingly manned by technology, design, marketing experts.

The Commission needs to rethink its implementation design, if its valuable report is not to end up as love's labour lost.



Part III

Social Development

Care of Mentally Challenged - alarming gaps, some exceptions

Some of our citizens are mentally challenged but what of us on whom fortune has smiled. Are we challenged mentally to care for them? The verdict is not pretty. 'Public health centers (PHCs) not equipped to treat mentally ill patients', said Justice S.R. Nayak, at a conference on October 10 which reviewed the quality of care provided by PHCs numbering 23,000 with 140,000 sub centers. The indictment by Dr D. Nagaraj, Director of the National Institute of Mental Health and Neuro Sciences (NIMHANS) was even harsher. He said there is an 'alarming gap in the treatment of mentally ill patients - about 50 percent of them are under-treated; the Mental Health Act had made no impact'.

There are notable exceptions too. Some devoted souls in the community are caring for the mentally challenged, for example, the Association of Mentally Challenged (AMC) in Bangalore founded some 45 years ago. But let us first have a close feel of some mentally challenged individuals.

T.K. Jagannath (41 years). His mother: T.K. Padmavathamma says that since his birth to eight years of age Jagannatha was very sick and completely bed ridden. He has no small tongue from birth. He operated for it 20 years back. After hectic efforts he was able to walk on his own from 9th year. With great difficulty he was admitted to Government primary boys school at Nanjungud, Mysore. He spent four years there. "In 1976 when we moved to Bangalore, the schools would not admit him 'the boy is not up to the mark compared with other children of his

age' and recommended we consult doctors at Mental Hospital. That's when we took him to AMC, which admitted him. In these 30 years he has improved in his behaviour, sense of understanding issues, is able to converse with his counterparts, can travel independently, can wash, clean his clothes. He is trying to read newspapers. The management, teaching and other staff of this Institution are the main cause for his progress".

Yogalakshmi: "Venkatesh is my first child. At the age 3 ½ years our family physician told us to take him to NIMHANS for check up. They said his speech will be delayed. We sent him to a normal school. But there was no progress. We went to a psychologist. He said Venkatesh is retarded and suggested a special school where in next two years he was imparted some self help skills like toilet training, grooming etc. We came to know about AMC. He is now trained in functional academic skills like reading, writing, money concept, time concept. He always used to be angry. But after joining AMC his behaviour is under control. He never beats or quarrels with other children. He cannot travel or go out on his own".

Girijamba: "my son Sanjay is a down syndrome boy, he was born premature, he was a blue baby. All the milestones were delayed, he started walking only at the age of eight years. We could not visit our relatives and friends, nor attend any function, as he would eat a lot and urinate in his dress. We used to tie his legs and lock him at home. He used to scream when angry, had impaired speech. He went to normal school for

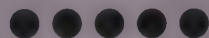
five years after which we admitted him at the special AMC school. He has learnt to read and write, and received speech therapy. He has learnt to make candles, footmats and weaving. He earns an incentive of 300 rupees per month. He attended gymnastic classes and participated at Duke of Edinburgh award event and won bronze medal thanks to the encouragement he got from AMC staff. We as parents are proud of him, but we still feel these children have not found a place in society".

One can see that each individual case is different. Every challenged child is a challenge. Today, AMC shelters and supports over 200 mentally challenged children, adolescents and adults. 'When they discover after vocational training that they can earn something on their own their joy is captivating' says AMC Principal Meera Ramchand. The essence of four decades of AMC experience is that parents and significant relatives form an important resource in the long term management of mental retardation. This is pertinent because the nature of the problem is too complex to be left only to professionals alone and the resources available to manage mental retardation are very meager. AMC reminds us that care of mental retardation often disables the parents and sometimes socially isolates them

resulting in severe degree of helplessness and depression.

Government is incorrigible. It is still concentrating on expanding the overhead structures under a new national mental health programme which aims to strengthen 37 government mental health institutes and the psychiatric wings of 75 medical colleges and to undertake research and training. All this may be necessary, but it is not sufficient to narrow the 'alarming gap' pointed out by NIMHANS Director Dr. Nagaraj. In fact the gap may widen. For, there is no evidence of simultaneous and committed support for community initiatives like AMC which embrace 'each individual'. According to K K Shenoy, Chairman, and Bharathi Raghuram, Secretary, central grants to AMC have in fact been slashed by 20 percent and State government support by nearly 50 percent, and reimbursement often takes two years.

We mention these worrisome arithmetical details as they speak of the lack of sufficient sensitivity towards the disabled. The heartening fact is that though the ways and means problem has intensified, so has the determination of the AMC to give the 200 of their wards the utmost care.



Land Reforms "irrelevant" claims Planning Commission

Do we realize that of the 554 princely states which were integrated in the Indian Union, 200 including Junagarh belonged to the Kathiawar region. They formed the Saurashtra State in 1948. They made history but long before that Kathiawar was already a legend with Somnath temple, the Gir Forests, and as birthplace of Swami Dayanand Saraswati and Gandhiji.

But soon after its birth Saurashtra set out to make its own history with unprecedented radical land reforms, under the leadership of chief minister UN Dhebar - who later became Congress President. He was aided by V R Mehta a distinguished civil servant who recalls ('Shining Shadows', Gujarat Vidyapith) that Saurashtra's land reforms aimed to abolish the feudal system and usher in a convulsive social change. Mehta underscores that while it was the policy of the Congress to abolish Zamindari, no state where Congress ruled in the 30's had implemented this policy as swiftly and resolutely as Saurashtra.

The miserable condition of peasantry in the princely states which merged into Saurashtra was captured by Sardar Patel: 'we have in Saurashtra four lakhs of people who are living on the sweat of 40,000 who are tilling the soil, the *girasdars* continue to suck their blood'. The first act of Saurashtra was to abolish "Veth" (forced labour). That single measure created a climate of freedom for the farmers.

All agricultural land which the covenanting states handed over was known as *Khalsa* land. In one stroke the tenants of *Khalsa* land were made occupants without any payment. Thus nearly 53 lakh acres of land was put in their

hands. Still 36 lakh acres known as *non-Khalsa* remained with the landholders viz. *girasdars* or *barkhalidars*. *Girasdars* started evicting the farmers from land. The newly born State brought in various enactments to contain them. In less than three years, 55,000 *girasdari* tenants got occupancy rights over 12 lakh acres.

The passage was not without obstacles. First, the Central Government objected to the payment of six times assessment of cultivators which amounted to Rs. 2.5 crore on the ground that 'it would lead to inflation'. Saurashtra countered that fears of inflation were baseless as the amount would go into the hands of more than 30,000 individuals. Second, the Saurashtra officials warned Debharbhai: "sir, our state's finances can't afford". The Chief Minister thundered: 'the state will swim or sink with the Reforms. State is not bankrupt. It is bankruptcy of our minds.' He got the Saurashtra Bank to step in to advance loans.

The character of the change was captured by the farmers for the Chief Minister 'till yesterday, there were electric lights in the opposite Darbargadh and farmers had no means to buy kerosene to light their lamps. To-day, all of them have electric lights in their houses and the Darbargadh stands, alone in darkness.' Nehru wrote to all Chief Ministers to emulate the implementation of land reforms in Saurashtra. With reorganization of States in mid 50's Saurashtra was reduced to a district of Gujarat - and so was all its good work.

But what has happened today: the river called Planning Commission has changed its course. It argues (Mid Term Appraisal 2005) that land

reforms are no longer relevant: 'demographic factors, changes in the agricultural technology and the increasing importance of market forces have considerably weakened the case for a land reform programme'. It goes on: 'the country's tenancy laws are highly restrictive. They were enacted in the context of exploitation of the peasantry. The current situation, however, is very different. The economic and political hold of large

landowning classes has been considerably weakened. The deepening of democracy has strengthened the bargaining power of the rural poor'. !!!

Are our political parties aware and alive to Yojana Bhawan's latest thesis which flies in the face of grim reality of rural India?



Nirman of which Bharat?

Vaishali is known to every stone in India as the birthplace of Mahavira and Buddha – the apostles of compassion. But today Vaishali is reduced to witnessing heartless hunger deaths by the day. The latest lives claimed by hunger are two brothers Loha Manjhi (35 years) and his brother Harihar (30 years). The brothers have joined their father Santlal Manjhi who too fell victim to starvation just a little ahead of his sons. They were *mushars* – most deprived of the dalits.

For the first time these starvation deaths made the front pages of local papers. The media reports made the district officer rush to the afflicted villages. He went door-to-door and looked inside the huts for foodgrains but found only empty vessels. He exclaimed: the situation is even worse than reported by the media. At a parallel level an independent fact finding team of four prominent social workers headed by Basantbhai, Working President of National Artisans Panchayat, arrived on the scene. They went to several villages and found death, disease and despair writ large. The team concluded that starvation and poverty had led to 35 deaths in the last four months in the *mushar tolas* in Wafapur and Harivanshpur panchayats.

The team found little evidence to support the official version that these deaths were due to *kalazaar*. The team says the killer is hunger. Worse still, it found no evidence of any helping hand of any anti poverty or social security scheme reaching out to local *mushar* families who are clearly the most vulnerable. Their names have not found a place in the list of those below-poverty-line. Nor any evidence of the milk-of-human-kindness flowing towards *antodaya* families from local administration or representatives.

The entire settlement is victim of fierce diseases *kalazaar*, jaundice, malaria, T.B. In the past 40

years there has been no DDT spray. There is no organized arrangement for drinking water. There is little work in the fields for the landless labour. There is no mother-child care centre on the ground. For food, the team came across rotten half dried pieces of *shakargandi* (sweet potatoes). In a year the whole *ilaka* is submerged for 2 to 3 months. Every inch of land is wet or moist. They have to sleep on wet or moist ground with nothing to shield them from cold. All *mushars* are landless. They have no *parcha* for their house.

Walked in Meenadevi and her husband khankhun Manjhi when they saw the team. He said in the past six months eight of his family members have died of hunger and disease. Next to them stood Neenadevi (70 years) with her hand on her forehead giving the team a stony stare. When the team pleaded with her she revealed that her son Sindheshwar Manjhi and his wife Manjudevi had died only a few days ago.

The irony is that this area happens to be a part of the constituency of an outstanding national political figure: Raghuvansprasad Singh – currently the Rural Development Minister at the Centre. He is manning all the national poverty alleviation programmes and also the two much heralded recent programmes: the National Rural Employment Guarantee Programme and 'Bharat Nirman'. *Mushars* will have to walk miles upon miles for even the shadow of these programmes to touch their feet let alone their bellies.

TV is now allowed to relay the proceedings in Parliament House for public view. Could the cameras be turned around for the MPs to see *mushar* and other such families - say for fifteen minutes before the Question Hour which apparently gets occupied a lot by those greasing the selected MPs hands?

Can my child read? Asks a mother

93 percent of India's children in the age group 6-14 years are in school today. The Finance Minister gave this good news to Parliament in his recent Budget speech. But the news is good only up to a point. The 2006 Annual Status of Education Report (ASER) by 'we the people of India' finds that the content and quality of education being imparted are far from comforting. This is based on collective 'snapshot' taken by ASER's 20,000 volunteers.

ASER reality check consisted of three parts – household level interviews, testing of children (using tests to assess ability to read and to do simple arithmetic at the class 2 level) and status of government schools. Take its findings on reading and arithmetic. ASER did not test children for age or grade specific competency. It tested the ability of children to read (a simple paragraph or story pitched at grade 2 level). Close to 35 percent of children in the 7-14 age group could not read a simple paragraph (grade 1 level difficulty) and almost 60 percent of children could not read simple story (grade 2 level difficulty). One surprise is that the situation in Tamil Nadu, Karnataka and Gujarat (where the schools function and where all provision related indicators are good) are far worse than Bihar, and Chhattisgarh (where indicators like teacher-pupil ratio, drop out rates and schooling facilities are abysmal).

The situation with respect to mathematics is also quite alarming, says: ASER 'Our IT hubs like Karnataka and Tamil Nadu need to seriously think about the way mathematics is taught in schools – government as well as private. Similarly, despite so many years of back-to-school programmes and bridge courses in Andhra Pradesh the percentage of out of school children is indeed worrying. This is particularly alarming in the light of girl child labour in cottonseed farms and in cotton plucking'.

The most striking feature is that the young

volunteers of ASER experienced a oneness of India in its villages. Everywhere they were greeted with great warmth in every home. Social net workers came alive in many places where neither NGOs nor college contacts were readily available. The act of 'testing' brought many people together. Children wanted to be tested, mothers wanted children tested: "can my child read?"

The Finance Minister also told Parliament that the number of children not in school has come down to about 10 million ASER estimates this number to be close to 14 million. Evidently, almost eight years of district primary education programme (DPEP) and three years of sarva shiksha abhiyan – apart from several state specific projects such as in Andhra, Bihar and Rajasthan – seem to have had limited impact. The relatively good news is that in the past five years the gender gap in the percentage of out of school girl children has come down from over 65 percent of out of school children now to about 52 percent.

At periodic intervals sample surveys like NSS and NFHS have generated information on children attending school and mean years of schooling, which have been used by different constituencies to illustrate the progress or lack of it in the education sector. Equally national research studies like PROBE (1999) or state specific studies like Pratiche Education report (2002) have drawn the attention of the government to school participation, teacher availability, attendance and learning. Recently governments have started commissioning independent third party evaluations and assessments. In that case, is ASER needed? If ASER was a small research agency, it would be redundant. But as a movement that takes scientific methods of assessment and analysis to large numbers of ordinary people and demystifies them, ASER has a profound place.

Malnutrition: The Killer Goes Scott Free

Finance Minister Chidambaram while presenting the 2006-2007 Budget, acknowledged that 'when faced with a dilemma, I usually turn to my favourite saint Tiruvallurvar, who said "*Karuman Sidhaiyamal annada Vallarku Urimai Udaithu Iv Utagu*", that is, the world is his who does his job with compassion. The situation indeed calls for all the compassion we can command.

Last year he had told Parliament that 47 percent of our children in the age group of 0-3 are underfed while according to the Planning Commission the corresponding figure is 50 percent of the rural children in the age group 0-5. Mr. Chidambaram at once raised the budgetary allocation for the integrated child development services programme which feeds such infants, to Rs. 3,300 crore in 2005-06, and in the budget 2006-07 raised it further to Rs 4,000 crore. However there is no indication given by him as to the absolute number of children in this category, nor what proportion of them will be covered by the enhanced financial allocation and the size of the morsel of food they will be served.

Official data shows that in 2001, the total number of children in the age group 0-5 was over 15 crore. At 50 percent, about 7.5 crore children would be victims of malnutrition. Assuming all the underfed children are to be given a little more food – the allocation of Rs. 4000 crore for 2006-07 would provide 12 paise per day for feeding each child. We can figure out to what extent an underfed child will be fed or underfed with this sum. Ofcourse we are assuming that FM wanted universal coverage i.e. food for every affected child this year. But even if he meant to feed only one fourth of the children this year, funds available per child would be less than 50 paise per day. Ask any house wife how much of an empty stomach can 50 paise fill?

But were FM to raise the allocation sufficiently to cover all the children right now, *ipo* as we say in Tamil, and provide atleast Rs 2 per child per day, where is the money going to come from? Thanks to the Asian Age bold banner line at the bottom of the front page following the 2006-07 Budget Speech, we know that this year the Finance Minister is going to spend Rs. 5639910000000 (or rupees 563991 lakh crore). Mind boggling, eh? But not stomach filling, for, only less than 0.001 percent of it or Rs 4000 crore is beamed at the underfed children. Another day we must pursue where the rest of the lakhs of crores of rupees are going.

Not only India is staggering its assault on malnutrition, even the much trumpeted Millennium Development Goal of the United Nations aims to reduce malnutrition by 50 percent between 1990-2015. Remember in our one person one vote India, the Infant Mortality Rate (IMR) in the case of poorer families is about double that of their better-off counterparts and as for child mortality the poor lose three-times more children than the middle-class.

What is this killer called malnutrition? Dr Ragini Prem of Banwasi Sewa Ashram explains: 'The prevalence of under-nutrition – a condition resulting from inadequate intake of food or essential nutrients, resulting in deterioration of physical growth and health. A chronically weakened and undersupplied body heavily influences a person's productivity, as weak underfed people are unable to do hard work and children are unable to concentrate in school'.

Says development economist Devaki Jain that 'one of the most striking features of the poor is their proximity to death. Death of a child, of aged and of self as a real possibility on any day'.

Underprivileged: sample their life

We know the broad categories of the underprivileged in our country: scheduled tribes, scheduled castes, cultivators, agriculture labour, artisans – especially rural. Be it noted that the term 'scheduled' refers to specifications on a constitutional 'schedule' of tribe and castes deemed to have been historically 'under-privileged'. Here we have a close up of them, albeit statistical. Don't be frightened. Statistics do not always lie. Atleast not in the hands of the socially aware and sensitive professional organizations.

The National Sample Survey Organization (NSSO) is one such. Its 'Rounds', as they are called, try to bring to the attention of planners, academicians and development institutions a wealth of data for a chosen theme to enable them to have both an all India view in space and time, as well as a close up at micro level. For example, NSSO has been conducting All-India surveys decennially since its 26th round (1971-72) on Debt and Investment. Latest is the 59th Round (January-December 2003). Its results have been published by ministry of statistics in April 2006, in a 391 page volume.

The theme of the 59th Round was household assets-holding, indebtedness, current borrowings and repayments of scheduled tribe (ST), scheduled caste (SC), other backward class (OBC) and 'Others'. Most of them carry the principal burden of the rural-agricultural economy on their backs as exemplified by numbers. Among ST households in rural India, 70 out of 100 of the households were cultivator households and another 15 agricultural labour households. Among the SC households, about one half belonged to the cultivator category and were agricultural labour households. Overall 60 out of 100 rural households were cultivator households.

A comparative look at their asset-holding, indebtedness, access to institutional credit illustrates why they are classed as under-privileged. In the rural areas, about two thirds of all household assets

were in the form of land while the share of land among all types of assets for SC and ST households were only a little more than one third. That is the distance between the privileged and the under privileged. The average value of the assets owned by a household in the rural sector was only Rs. 1.37 lakh for ST and Rs. 1.26 lakh for SC households respectively compared with Rs. 4.3 lakh for 'Other' groups.

In general, one fifth of the rural households were indebted. About 59 per cent of the debt of rural ST households was incurred for farm related work and 25 percent for household expenditure. Only 26 per cent of the debt of rural SC households was for farm related work, while as high as 51 per cent was for household expenditure. Thus even among ST's and SC's, the latter incurred a hundred times more debt than ST households for consumption.

Only a small proportion (less than 13 percent) of SC and OBC households has access to institutional agencies as the source of credit. More starkly 87 percent of them are in the bag of the money lender despite huge growth of banking institutions in the post Independence period. Understandably, the incidence of repayments of loans to non-institutional agencies (which charge an exorbitantly high rate of interest) was higher as compared to the institutional agencies.

How is that despite this continuous flow of NSSO information on the desk of the policy-makers, so little has been done to drown the suffix 'under' from the under-privileged after nearly ten five year plans? What good then are these Round after Round of surveys? Remember, these Rounds are not hooked to Fire-brigades. The latter are in the control of planners and administrators who live in fire-proof shelters. Of course they see the fire but remain indifferent. And we are left cursing the statisticians.

'2006: year of agricultural renewal', really?

For reforms in the farm sector to succeed, 'bureaucratic hurdles would have to be done away with' emphasised the Prime Minister, addressing a Conference on Agriculture for Food and Nutritional Security and Rural Growth on 27 May 2006. This infact has been suggested previously too on many occasions. But which 'bureaucratic hurdles' are thwarting reforms in the agricultural sector has seldom been specified nor has PM hinted at a time bound action plan now.

We have however at hand, the Third Report of the National Commission on Farmers, headed by Dr MS Swaminathan: *Serving Farmers and Saving Farming – 2006: Year of Agricultural Renewal* (it could as well be retitled *Saving Farmers and Serving Farming*). The report has thrown some light on the reasons responsible both for agricultural decline and farmers' distress and suicides. It has suggested five mutually interactive and reinforcing action plans to deal concurrently with (1) soil health enhancement, (2) augmentation of water and, efficiency and equity in water use, (3) credit and insurance reform, (4) technology upgradation and dissemination, and (5) farmer-centred marketing, with the aim of the action plan to enhance productivity per unit of arable land and irrigation water, increased on-farm and off-farm employment and environmental sustainability. The plan is to be backed by 'far-sighted community radio policy in the spirit of the Right to Information Act'

The Report also provides some invaluable examples of failure of well designed interventions in the past. Foremost the fate of the Technology Mission on Oilseeds & Pulses. Since

oilseeds were identified with a yield gap and since India had the advantage of a diversity of soils, climate, research and development infrastructure, oilseeds were chosen as a fit case for being targeted through a Technology Mission. Rising demand for edible oil, and insufficient use of technology for optimum oil extraction and rising import bills for edible oil were some other reasons for the need to enhance oilseed productivity through a Mission. The initial results were heartening in that by 1998-99, the production rose to 24.75 million tones and the yield rose from 570 to 944 kgs per hectare. The solvent extraction technologies, the conversion of hullers to shellers and rice bran extraction technologies also developed well, and led to substantial reduction in edible oil import bill by 1992-93.

Simultaneously, 'policies of liberalization leading to placement of edible oil under Open General License and reduction in bound rate for crude and refined soybean down to 45 percent led to a severe adverse effect on the efforts of the oilseed farmers towards self-sufficiency. Briefly, therefore, the trade policy worked counter to the stated goals of the Technology Mission leading to the Mission being wound up with the beginning of the Tenth Plan. The Technology Mission displayed its capabilities in the early years when it was treated as a special-purpose vehicle with close monitoring and suffered its demise only because of reduced political and administrative direction and adverse trade policies.

The Report underscores that 'the decline of the Technology Mission set in with the decline in political direction from the Centre and in the

States consequent to the demise of Rajiv Gandhi and departure of Sam Pitroda' who had piloted the Technology Mission strategy. Interestingly, one reason why Rajiv Gandhi backed that strategy was to eliminate bureaucratic restrictions "we would like to put one person in charge of such a Mission with full funding and with no restriction on him whether bureaucratic or

otherwise. The only limits will be certain achievements, which must come within a certain timeframe".

The moral: agricultural renewal does need removal of bureaucratic restrictions but also coherent production and trade policies and sustained political direction.



Unreserved praise for RBI?

Praise to the Reserve Bank of India. It is a model of governance for all public institutions. In a way unrivalled. Long before Aruna Roy pushed for enactment of right to information, RBI on its own has been putting out for public information facts and figures specially about that arena of the economy entrusted in its hands. It puts out e.g. Quarterly Bulletins on the status, trends and policy changes relating to fiscal and monetary arteries and veins of the economy. There is no other public institution which has even attempted to emulate the RBI example in providing such a public information service and with such religious regularity.

All this could be a routine. But RBI is alive to changes and is innovative. In evidence we have at hand its latest – May 2006 Bulletin: 'The Annual Policy Statement for 2005-06 introduced a change in format of the presentation, separately focusing upon monetary policy and developmental and regulatory policies in Part I and Part II, respectively. This was intended to ensure clarity of roles and responsibilities within the Reserve Bank and to enable more transparency in policy communication. It has also enabled more frequent reviews of monetary policy at quarterly intervals. In recent years, financial stability has assumed priority in the conduct of monetary policy. The institutional environment has been changing rapidly including, in particular, the implementation of the Fiscal Responsibility and Budget Management Act and the increased financial integration taking place domestically and with global markets.' As for regularity we have been advised to expect the review reports in July, October 2006 and January 2007.

May 2006 Bulletin warns that within the overall growth comforts, lurk 'crude' dangers – oil price may impact growth and inflation more strongly than before. Besides, in several countries housing

boom has started to "flatten out" which could set off chain reactions – affecting consumption job creation, real wage growth. "An abrupt cooling of home markets would knock off a major source of support to world demand, jeopardizing growth prospects in other parts of the world" of which we are a part and on which many of our expectations are anchored.

One of the most useful but least read of the RBI reports is the annual Review of State Finances (RSF). The economy is not divided by States. What each state does to its finances affects us all. There are glaring differences in the fiscal health of each State. An errant state can make our seemingly smooth economic ship unsteady. But do our MPs, MLAs, ministers, read the annual RSF? RBI might consider organizing an annual conference of all state Chief Ministers and Finance Ministers and selected legislators to ponder over RSF. There could be a standing panel of this conference to advise and assist each State and to monitor quarterly results. Per contra RBI should also publish a quarterly review of central finances and not leave it all to the Budget Speech of the Finance Minister and the Economic Survey. It should particularly highlight developments at central level likely to affect the stability of state finances.

RBI cannot be oblivious to the fact that it has lost out in public confidence in its supervision of banks – continuing menace of non performing assets (NPAs) which are huge. Then there are periodic exposures of bank scams. To restore public confidence RBI should make public the enquiry reports in their entirety and what corrective measures it has enforced. Sharing of these with the public could add muscle power to RBI's elbows to rid the system of scams and NPAs. Till then our praise for the Reserve Bank will necessarily be reserved.

Untouchability: who is unclean?

In 1989, a report *The Problem of Untouchability* by the National Commission for Scheduled Castes and Scheduled Tribes, explored why the 'problem and the extent of untouchability was still prevalent even 40 years after the adoption of the Constitution in 1950'. To remind ourselves, Article 17 of the Constitution ordained: "Untouchability is abolished and its practice in any form is forbidden". The report was based on interviews with over 1200 Scheduled Castes and non- Scheduled Castes informants in UP, Bihar, Rajasthan, Tamil Nadu, Karnataka, Kerala. It identified two main causes for continuance of untouchability (1) deep rooted caste system and (2) carrying of unclean occupations by the Scheduled Castes.

Further, the National Commission said the Central Government was 'merely collecting the information received from the state governments in their annual report and taking no follow up action'. Commission's advice that Gram Panchayats be brought in to play a significant role in eradicating the evil of untouchability has also been rendered infructuous. The panchayats are yet to be enabled to breathe as living organizations. Deep rooted caste system can scarcely be addressed by lifeless organisms. The Ten 5-yearly economic and social development plans and outlays of forty lakh crore rupees have also gone by without making a dent on the unclean occupations.

Take Karnataka. It has about 21 thousand *poura karmikas* (safai karamcharis) who are working as regular employees of local authorities. They carryout the work of scavenging, cleaning the roads, transporting garbage, work in manholes for maintenance of the underground drainage systems. Frequently they lose lives or get disabled and often get infected with chronic diseases. Deaths in the man-holes is a common phenomena. But little has been done to improve the working conditions of *poura karmikas*. Consequently, the social stigma of untouchability passed on to them by birth continues

to haunt them generation after generation notwithstanding its abolition by the Constitution.

Karnataka's work force of 21,000 *poura karmikas* employed by the civic bodies is less than half of the manpower required to clean the towns and cities. Another deplorable fact is that these so called civic bodies have resorted to engage 17,000 persons – as *contract labour* to perform similar duties as the regularly employed *poura karmikas*. But, these so called civic bodies have denied equal wages for equal work to the contract labour *poura karmikas*. They are generally not even supplied with gloves, boots, soap and other sanitary materials. This ensures that uncleanless sticks on their bodies. Besides, they are not permitted leave or weekly off or paid holidays even on National holidays.

The discrimination in wages is gross. The regularly employed *poura karmikas* get Rs. 4950 p.m, while contract *poura karmikas* are paid only about Rs. 1200 p.m. This despite the fact that as per the Minimum Wages Act 1948, contract *poura karmikas* cannot be paid less than the minimum wages fixed by the Labour Commissioner. The horror of it is that the Bangalore City Municipal Corporation has itself prescribed rates for contract labour *poura karmikas* which are less than half of what the regular employees get. Gulbarga City Corporation is reported to be the only one obeying the Labour Commissioner and adhering to the law of equal pay for equal work for the contract labour. Thus there is discriminatory practice in the same state.

There is no evidence here of either a political will or executive inclination to honor the laws of the land which are intended to ensure social justice. The same leaders will however soon be seen saluting the national flag on Independence Day on August 15. We can guess what mother India will have to say to them. But would they be coming with their ear-aids?

Part III

Science and Technology for Development

Beneath the Pear Tree ...– happenings in the Himalayas

CHIRAG – the Central Himalayan Rural Action Group has been confabulating under a favourite pear tree in Sital for the past 18 years. What do they have to show for it? A great deal – by way of facilitating the self reliant communities based on sustainable use and management of natural resources. A band of devoted workers – men and women walking through Uttranchal's range of the Himalayas report direct interventions in 163 villages across Ramgarh, Dhari, Bhimtal and Betalghat Blocks of Nainital district Hawalbagh and Takula block of Almora district, Bageshwar block of Bageshwar district and Berinag block of Pithoragarh district. The song these foot soldiers of CHIRAG want to hear at the end of the day is for the people to say 'we have done it ourselves'.

The distinct part of CHIRAG is its accent on natural resources management – a life and death issue for the precious himalaya region. Its crucial components are soil and water conservation through vegetative and physical measures, community forestry, alternative energy, agriculture and animal husbandry, drinking water. By now ten local grassroot organizations have been prepared for integrated watershed development in all five hill districts of Kumaon. Equally important is livelihood promotion with a special emphasis on non-farm related livelihoods.

Of wider interest are the nature of its initiatives in community forestry. Attempts to regenerate forests, to recharge ground water sources and to increase access to fodder are being undertaken in three areas – Naukuchiyatal (4 villages), Suyalbari (7 villages) and Bageshwar (20 villages). The involvement of families in creating plans, in raising saplings in small decentralized

nurseries, undertaking soil and water conservation measures, clearing plantation sites from invasive weeds such as lantana, planting saplings and grasses and in protecting the sites is crucial to the success of these interventions.

A significant aspect is that over the years, the emphasis has shifted from the technical aspects of forestry to a focus on mobilizing communities. In Gola and Borgaon villages in Bageshwar, women are at the forefront of efforts to protect their plantations from fire, unrestricted grazing and wildlife. Efforts by communities to restrict access to the plantation sites result in increased yields of fodder, give the new saplings and existing vegetative cover a better chance of survival and allow existing rootstock to regenerate.

The core of it all is that communities evolve their own systems to manage their forests. They charge levies for grass collected. In some cases these funds accumulate in the van panchayat or van surakhsa samiti account and are used to pay for services incurred in protection of natural resources. The sums so collected may be arithmetically small but they represent significant progress. Annual collections of Sidhpur and Bhatkala van panchayats are above Rs 7500, Lohali and Kafoli above Rs. 4000, for most others it ranges from Rs. 1000 to 3000 per year. A promising beginning.

Let us take a close look at one site – Sidhpur in Howalabagh of Almora where the developments could be described in three key words: innovation, incentive and income. Sidhpur in Howalabagh of Almora district lies just across Chirag's Suyalbari office (Nainital district) and

the Suyalgad stream. The village has a forest area of 150 hectares. The forest areas adjacent to villages in Nainital district were subject to intense pressure and untold damage. CHIRAG commenced work in Sidhpur last year. The villagers of Sidhpur appointed a caretaker from the village that wrought the maximum damage, to protect their forestry site. His activities were monitored in turn by villagers. The illegal cutting of grass and practice of open grazing was checked.

A monetary incentive was announced for anyone who caught stray cattle in the forestry plot. Once, 8 livestock were caught grazing and the van panchayat took the livestock back to their village and asked the owners to collect them after paying a fine. The owners felt that the van panchayat would get tired of looking after the livestock and would release them. The van panchayat decided to take the livestock to a cattle-shed for strays 10 kilometres away. The owners relented, apologized, paid the fine and took their cattle back. This year the van panchayat of Sidhpur sold grass worth Rs. 8,000 to the adjoining villages. The van panchayat has loaned Rs. 7,000 out of its income at an interest of 24 percent for 8 months.

Alternate Energy and energy efficient devices have accompanied interventions in community forestry simply because of the implications of reduced dependence on fuelwood. Pressure cookers continue to be distributed albeit in much smaller numbers than in the past. The efforts in promoting bio-gas have been affected by the

increased cost of materials, the high transportation cost and the difficulties in getting the allotted subsidy released from the government in time. However, the need and potential have frequently led us back to bio-gas and in the past year 14 more units were added – 2 in Naukuchiyatal, 1 in Suyalbari and 11 in Bageshwar. The support of Pan Himalayan Grassroots in Ranikhet, has been of assistance to us in meeting some of this demand.

Solar lighting systems have been tried out by CHIRAG in the past and were promoted for a brief while. The Himalayan Rural Lighting Initiative that commenced in the previous year was a focused attempt to promote solar lighting systems and in particular solar lanterns. The emphasis was to promote lanterns in the absence of any subsidy. CHIRAG played the role of the promoter in the area. It was responsible for generating awareness and demand and for initiating discussions with bankers and self-help groups to set up credit linkages. Kumaon Grameen Udyog was responsible for the actual marketing and after sales-service of the lanterns. The response has been positive with Kumaon Grameen Udyog marketing 115 lanterns in the area.

"Gobargas is my friend since it helps me and my family. Not just my friend, it is actually a member of my family. The absence of smoke in the kitchen has led to my husband and children offering to help cook. We use less wood than before. Now we only use fuel wood when the gas is inadequate, to warm ourselves or to heat water." says Heman devi.



Forest Fires - What is fanning them?

Forests are much in the news – forest policy, forest people, forest conservation - and ways to ensure that they all live in mutual harmony and coexist happily for ever.

But there is a looming threat to the very existence of the forests – the increasing frequency and intensity of forest fires (Lantana and Fire, Conservation and Society, June 2005).

The proverbial wolf in sheep's clothing has come to haunt us. In this case the wolf is Lantana – which was brought to India from South and Central America during the 19th century as an 'ornamental'. It is good to behold, but stealthily at the ground it started to devour native species and habitats at a furious pace. Lantana is now listed as one of the 100 most *invasive* species.

In India, lantana is amongst the most widespread terrestrial invasive species today, particularly in dry-to-moist deciduous forests. The documented history of lantana in India goes back to at least the nineteenth century. It was probably introduced into the country on multiple occasions; at least two separate accounts talk of its introduction as a garden ornamental in Coorg in the 1860s, and as a hedge plant in Calcutta in the early nineteenth century. There is also an early account of lantana's invasiveness, following its introduction to Kathgodam in Nainital district early in the 20th century.

Initially, lantana was confined largely to hedges and did not occur more than a few miles from its place of introduction, being relatively sparse where it did occur. Within two decades, however, it spread in a thick continuous mass to a distance of about 40 km in all directions, indiscriminately taking over farm and pasture, fallow land and forest.

Today, lantana is regarded as one of the principal threats to native biodiversity. For example, the Soligas in the Biligiri Rangan Hills (BRH) of South India consider lantana a threat to biodiversity largely due to its extreme flammability. Climbing

stems of lantana can reach up to 20 metres and above, getting into the forest canopy and resulting in devastating crown fires when they burn. Lantana also suppresses regeneration, which affects biodiversity and has an economic impact on people who harvest non-timber forest products.

People have a rather complex relationship with fire. In BRH, for instance, people claim that fires have beneficial effects on the forest, and they traditionally have burnt the forest for a variety of reasons including encouraging a fresh flush of grass for fodder, to clear the undergrowth to control a plant parasite on amla trees since smoke is believed to kill the parasite, and to keep the population of ticks in check.

Although fires in Indian forests have been around for millenia, with shrinking forest cover, especially over the past century, there is now evidence that the frequency of fires has increased. A study conducted in the Mudumalai wildlife sanctuary in Tamil Nadu, estimates that there has been a 3-fold increase in fire frequencies over the past century.

In forests that have historically burnt only occasionally, frequent fires can have harmful consequences. They can lead to reduced soil fertility. They can also lead to reduced species diversity by eliminating species that are killed by burning. Forest fragmentation and shrinking forest cover largely account for increased fire frequencies and intensities. Compounding these reasons, however, may be the presence of lantana, an invasive species that spreads rapidly and burns readily.

Surprisingly, despite the widespread occurrence of lantana and other invasive species, we are ill-equipped to deal with the problem of weedy invasives. We know very little about the societal costs of weedy invasive species. So also, we have very little empirical knowledge of the ecological characteristics that make them competitively superior to native biodiversity. We can ill-afford to delay acquiring such comprehensive knowledge.

Quest for seeds

Recently, the eminent agriculture economist Prof. Y K Alagh expressed concern about the 'starving of India's farmer' particularly 'in the case of seeds we really have to get back to the drawing board'. He was referring to hybrid seeds and BT Cotton. However, the farmers are on their own quest for seeds - but the very opposite of hybrid variety. [Banking on Seeds - community seed network, Green Foundation, 2005]. They recognise that genetic diversity in agriculture enables crops and animals to adapt to new pests and diseases, as well as to changing environment and climates.

Before the influx of the hybrids, the community - maintained varieties were the basis of self-reliance in agriculture. Nearly sixty percent of the world's agriculture land is farmed by traditional or subsistence farmers mainly marginal. All over the world women are the custodians of valuable genetic diversity needed for sustenance. Diversity within each species is stunning. For example, rice "*Oryza sativa*" has a diversity of 50,000 to 20,00,000 varieties. The seed is basic to sustainable agriculture. If the seed is lost, everything is lost - the farmers know it in their bones.

The Community Seed Bank is integral to the process of community agriculture, which encompasses village level facilities where traditional varieties are safeguarded. "If we use indigenous seeds, and stop using chemical fertilizers, I am sure we can save almost Rs. 5000 in a year" calculates Mukappa Poojar, the owner of a two-acre plot of land.

We started a community seed bank network with just five women farmers, a handful of seeds and a cowshed in Thalli in the dry land tracts of Tamil Nadu bordering Karnataka, reminisces Dr. Vanaja Ramprasad the moving spirit behind the seed bank movement. Initially they gathered information from the elders about the varieties of seeds that had been in use and either become extinct or fallen into

disuse down the years. Then started the activity, multiplying the seeds obtained from the fields of farmers who volunteered space on their land. To maintain the purity of seeds, seed bank members set down some rules: no use of chemical fertilizers and pesticides. "We go to farms now and then to see whether the farmers are following our rules," says Kalamma.

For 47 year old Papamma, a woman farmer of Kurubarahalli, Kolar District, life changed after the seed bank project started in her village. Till then a very poor family. Their five-acre dryland is partially rain-fed and partially irrigated. Today, she has a seed bank in her house too. Her seed bank has three varieties of ragi, four varieties of paddy, six varieties of minor millets, three varieties of oil seeds, four varieties of pulses, and 37 varieties of vegetable seeds. Would you call Papamma a farmer or a scientist?

Ever heard of Bio-bomb? It is an innovation by Vijay Kumar, a farmer in Nelamantala. It is a pesticide made from a mixture of bitter leaves believing that anything bitter has the capacity to keep pests away. Neem, Ekka, Honge, Nishandara and Neem-cake are filled into a sack and placed in a shallow ditch at the point where water enters a paddy field. The water runs through the sack taking with it the bitter decoction of the leaves. That is all it takes to keep different kinds of pests at bay!

Vanaja drives home the basic value of the endeavour: when communities come forward to aid in participatory research, the knowledge stays firmly with them, making them responsible for maintaining their own ecosystem. Food security and seed security are so closely linked that only in the existence of one will the other be secure. They intuitively know that seed is the beginning of life, that throwing the seeds in the wind translates into millions of new beginnings.

Cry the Tsunami victims

Tsunami, which rocked the South on December 26, 2004, receded after heartrending havoc. But bureaucrats dressed in brief authority who entered the scene thereafter are playing such fantastic tricks as should make the high heavens weep (with due apologies to Alduous Huxley). Sample some.

Krishnamurthy lives in Pudhupettai, a village in Cuddalore district severely affected by the tsunami. His family was lucky enough to survive without loss of life. But their livelihood has been severely affected. Their land was salinised. Almost all of their livestock was washed away. No compensation was paid for the livestock lost. Reason: there were no photos of dead livestock as proof of death.

From Tutocodi: 100 dalit families were not allowed to stay in relief camp - 'no identity cards - no relief'. Asked Devi affected by tsunami: did tsunami affect only identity card holders?

Irula tribe, Thirvallur, affected by Tsunami, wanted boats and nets to start a new life. Answer no: you are fit only for catching snakes.

Venmathi's husband was hit by a catamaran when the tsunami entered her village in Cuddalore district. Later, he experienced increased pain in his shoulder, paralysis set in, he was rushed to hospital in Chennai, where he died the next day. Venmathi, with two small children applied for ex-gratia grant. She was required to prove that her husband died due to a tsunami-caused injury general belief being that people either 'survived or died' in the tsunami; and not died later. How to establish that it was a tsunami death? Nearly a year now, Venmathi is still waiting.

These are just a few individual accounts. Imagine what is happening to the huge number of families affected. In South and South East Asia Tsunami left over 2,50,000 persons dead and thousands are still reported missing. Of them about 11,000 people died In India mainly in Tamil Nadu and the Andaman and Nicobar Islands. Of these about 8000 deaths were from several coastal districts of Tamil Nadu: Nagapattinam, Cuddalore, Kanyakumari, Kanchipuram and Chennai. Most of the persons who were killed were the fisherfolk. Forty percent of all the deaths in Tamil Nadu were children while a large number of children have been orphaned. Many lost more than one family member. The fisherfolk who were not used to any other work, suddenly found their entire occupational base destroyed leaving them facing a bleak future.

Now, in fisherfolk villages in Vizag, lands are being sold to businesses: textile companies, film studios, Gangavaram port (private), pharmaceuticals- inspite of a ban on construction in the Coastal Regulatory Zone (CRZ). This is impacting on the livelihoods of poor fisherfolk. Fishermen say 'coast our right sea our life'. But 'We are being threatened by government'.

Hats off to many patriotic volunteers with a human heart especially over 1500 students and their faculty from 29 Schools of Social Work in Tamil Nadu and the Tata Institute of Social Sciences (TISS), Mumbai, who walked the affected areas to assess loss of lives, damage to livelihood, environment, and property and rehabilitation needs of the affected people. Their report covered nearly 100,000 families from 279 affected villages and helped to direct numerous

aid agencies to the anguished families without being lost in search of death certificates, photos of dead animals or identity cards.

Jaggarao from Little Andamans: government relief came after 17 days. Notwithstanding the 73rd Amendment, there was no empowered "institution of self – government" on the spot - a cruel government imposed handicap which made the process of relief and rehabilitation a hundred times more difficult and avoidably delayed. Local institution must be the basic unit in any disaster management strategy.

Yet, long live India. There is always a silver lining. MV Foundation of Andhra has opened schools in some of the Tsunami affected villages - where none existed all these decades. Say young Vanitha from village Vetangudi: relief will pass but *education is a life long gift*.



Panchayats give meaning to self-government

Panchayats be praised especially by the skeptics. At Gadag in Karnataka the people have ushered in 'self-government' without leaning much on the government.

Elected early in 2005 (along with 91,000 similar representatives statewide) the Gadag gram panchayat and gram sabha met in April 2005 to harvest ideas for an action plan (Asian Age April 16, 2005). Eight months later, on January 12, 2006 they presented a progress report to a district wide conference of over 2000 men and women panchayat representatives with the state panchayat raj minister – Basavaraj Horatti listening affectionately. What are their achievements?

One, they have set up a grain-bank totally with community contribution to ensure that no one in the village need go hungry on any day. The needy can borrow from their 'own' bank, without having to borrow from a shopkeeper and be indebted forever. Two, a fodder bank has been started to ensure that no member of the livestock family suffers from hunger. Third, a community fund of Rs. 50,000 has been raised to support deserving children of the village to pursue their studies. All these three are based on community contribution – not a paisa from government.

Now consider their initiatives for 'economic development with equity'. They have prepared individual farm development plan for each of its 670 agricultural households/holdings including 270 landless workers and all marginal, small and big farmers in consultation with them to raise yields, income and employment. The most exciting news flowing out of these plans is that in most cases output can be raised substantially upward of 30-40 percent at zero cost. All that is needed is some technical guidance which is within the means of the Krishi Vigyan Kendra (KVK) in the area. The preparation of the 670 individual farm development plans has in fact been accomplished by the devoted technical manpower of the KVK.

It was found that most farmers can not afford fertilizers and pesticides - and even those who have been buying these inputs are finding the escalating costs eating into whatever gains they make from toiling in the fields. Coincidentally, good fortune knocked at their door in the person of Subhash Palekar from neighbouring Maharashtra. He showed that they would be better off deploying local materials such as straw, dung, urine etc. to raise productivity at zero cost with better health for their soil. His message: learn from the forests, they prosper with their own internal resources including waste.

Gadag has a sterling message for at least two national level functionaries. First, for the Union Minister for Panchayatraj Mr. Manishanker Aiyar as to how to bring to life the 73rd Amendment enacted twelve years ago in 1993.

The other is for Mr. Veerappa Moily Chairman of the Administrative Reforms Commission. What moral does Gadag have for Mr. Moily? Formost, that administration requires not *reform* but *retreat* from the rural scene. Administrator - scholars like Haridwar Rai who reviewed the history of hundred years (1860-1960) found that the design of the district administration by the British was influenced by the 'Mughal tradition of concentration of powers in the hands of one man making him the real ruler of the area in his charge?' That design is our enemy.

Just before Nehru died, he was asked: Panditji, what do you regard as your main failure after 17 years of prime ministership? Prompt came the answer, 'failure to reform the administration'. And, he added, that 'that is responsible for the continued poverty of India'. There were no takers for his wisdom. Twenty five years later Rajiv Gandhi brought the 73rd Amendment to liquidate 'crass and cruel' bureaucratic governance and to replace it with institutionalized representative panchayats to provide *self-government*. Mr. Moily could visit Gadag and learn that indeed much can be accomplished with much less administration.

Animals go where even Autos fear

IT industry is much in the news filling the sky with both its long strides and shrill cries against traffic bottlenecks. Beneath on the village roads continue to ply silently some 15 million carts in India hauled by millions of mute beings. Draught Animal Power (DAP) moves the haul across thousands of miles of mud tracks or non-existent roads where autos would faint at first sight. We must know however that the physique and health of the draught animals is terribly poor due to gross neglect and bad design of implements and carts. 'DAP ploughs two thirds of our cultivated area sown, the energy provided by it is equivalent of 50 billion units of energy - valued in the year 2000 at Rs 10,000 crore, saving annually about six million tones of petroleum' says the former director of the Institute of Management Bangalore, Prof. N. S. Ramaswamy popularly called the 'Cartman' and proud to be so known.

The contribution of the livestock as a whole to the economy is enormous. They provide employment to 29 million persons particularly among the landless, small and marginal farmers and other disadvantaged social groups. The value of their annual output (including milk, meat, fish, poultry) is estimated by the National Sample Survey at Rs 1,56,000 crore. Yet, points out Prof Ramaswamy that the budget of the Animal Welfare Board is only Rs 5 crore a year and that the Society for the Prevention of Cruelty to Animals, (SPCA) has only 800 inspectors for 1000 million animals needing protection. He tells us of the heartbreaking extent of cruelty to animals: 'meat animals, for instance, are transported, handled and brutally killed in filthy and ill-equipped slaughterhouses. Animal sacrifices and their use for races still continue. Circus animals are trained in painful ways. Vivisection, animal experimentation and skinning of live snakes are done inflicting excruciating pain. Millions of frogs are dismembered and allowed to die a slow death. Dog, a faithful companion of man, is cruelly put to death, using poison or electrocution in crude ways'.

The Standing Committee of Parliament (2004-2005) has flagged some other major areas of concern. First, with the improvement in quality of livestock through extensive crossbreeding 'susceptibility of the stock to various diseases including exotic disease has increased'. Second, while the Foot and Mouth Disease (FMD) is rampant, the government programme of vaccination against FMD is concentrated in a mere 54 out of 550 districts. The government answer: 'what has been taken up is within the budgetary provision' is shocking (may we ask: should the livestock in the excluded 500 districts also keep the volume of milk output to within budgetary provision?). Third, the state of fodder seed production for forage production says the Committee is deplorable: not even fifty percent of the targeted quantity is being produced during the past few years (so, are animals expected to give output regardless of whether or not they get the requisite input of feed?).

The central government runs seven Cattle Breeding Farms located in different agro-climatic regions for maintaining herds of some important indigenous and exotic cattle breeds, and production and distribution of superior pedigreed bulls in support of breeding programmes of different States. Here again the utilization of even pitiable budgetary allocations has been poor specially in farms at Suratgarh, Alamadhi and Chiplima. Instead of uplifting their performance the Government has decided to close down these farms unmindful of their crucial role in maintaining and upgrading the large cattle population. The Parliamentary Committee is 'pained'.

Remember, the cattle breeder farms are no less important to the country than the nuclear fast breeder reactors which we are defending with determination against all international odds.

Recalling receding rivers

In the face of overall deteriorating water situation in the country comes the good news that several local rivers and rivulets have been successfully recalled to flowing duty.

Take River Kali II - a small local river flowing through two tehsils of Gujarat's Dahod district. Several tribal villages are situated along the banks of this river. The river and the people around it have witnessed three sharp changes in the last half century. The river was perennial before 50 years. Later, its waters began to disappear. The latest is that the entire river is almost full of water even during the driest summer months. This is no magic. Then what? This transformation is owed to appropriate technological interventions - series of small masonry water harvesting structures/check dams at suitable distances across the entire length of the river.

The impact of these water harvesting structures on the river has been striking. Water is available round the year for people and cattle. There is increased irrigation and food production. There is increase in subsoil water level in the adjacent area. 18 community lift irrigation systems have been installed irrigating 3,100 acres of land in rabi alone. The seasonal migration rate has dropped precipitously from 70 to 10 percent.

River Kali- II is not an isolated example of revival. Keeping company with it are several small rivers and rivulets e.g. Khan, Kali -I, Dudhimati, Machhan, Hadaf, Panam, Walwa, Wankdi, Ujol, Chandroi in Gujarat; Pat, Sangus, Ranek, Negdi, Hiren, Jiradhara, Telni, Pundiya, Kshipra, Chambal, Kalisindh, Ahu in Rajasthan. About 60 local rivers, rivulets in about 75 kms radius across Gujarat, Rajasthan and Madhya Pradesh have been revived.

All this is a result of combined efforts of government agencies and community organizations supported by the Navinchandra Mafatlal Sadguru Water and Development Foundation. The Foundation was set up in 1974 to improve the living conditions of rural and tribal people by environmentally sound land

and water resources development. Today its work embraces about 1,50,000 households in 800 villages in nine districts across three States. More recently, the Foundation's attention has also turned to some big rivers like Chambal and Kshipra.

For example, on river Kshipra a border river of Rajasthan and Madhya Pradesh, five water harvesting structures have been raised. Result: in the driest of the summer months in recent years this river was full of water for more than 27 kilometers at a stretch. However, consecutive four years drought did have adverse impact on check dams and water storage. But due to series of check dams on the same source, the sub-soil water has increased recharging large number of open dug wells in the area.

The Foundation promotes equity along with development. In general though in the water resources development and management, the issue of upstream and downstream development has not been attended seriously by our irrigation planners and the government. Particularly, when a big system is created, it leaves upstream and downstream of the source high and dry. Such big structures create near monopoly of the source at the cost of entire upstream and downstream region injuring the principle of equity and riparian rights.

The Foundation has managed to ensure that along with its efforts to recall receding rivers to duty, there are also fruits to harvest and eat. Horticulture programme encouraged by it is fully managed by 267 women's groups having 12,000 members. They have set up 13,882 orchards which grow fruit trees as also vegetables as inter-cultivation in orchards. Best of all, the water- harvesting structures sponsored by the Foundation have not uprooted a single human being. Not an inch of land has been submerged, there is no damage or loss of tree or forest. The key is: initiative of the local people who have the highest stake in their sustainable development.

Ever heard of Neeranchal ?

At last we seem to have a recipe to transform our development endeavour near to a paradise. It is another matter whether we will, but there can be no alibi that we didn't know the path. The path finder is the 'Technical Committee on Watershed Programmes' set up by the Department of Land Resources of the Union Ministry of Rural Development. Its January 2006 Report "From Hariyali to Neeranchal", provides the main constituents of the recipe (1) absorption of learning from Government implemented programmes and of insights from NGO initiatives; (2) study of research findings; and (3) understanding of all the complex issues involved in intervention in rural development especially watershed development. First reaction will be 'easier said than done'. But if not done the task will become more difficult than necessary.

Regrettably, 'the watershed programmes operate almost as if groundwater does not exist. It enters in their scheme only as something to be recharged and replenished and appears to play almost no role at all in watershed planning forget that just as there is surface water catchment, there also exists a groundwater catchment'. Encouraging efforts, it notes, have however been made since 1994 to move away from a purely engineering and structural focus to a deeper concern with livelihood issues - "watershed plus".

The report highlights the worrisome areas. For the first time since the mid-sixties, the 1990s witnessed a rate of growth of food grain production lower than the rate of growth of population. Secondly, while irrigated agriculture appears to be hitting a plateau, dryland farming continues to be neglected. Besides, 'the limits to further expansion of surface and groundwater irrigation through big dams and tube wells are being reached rapidly'.

How to combat these challenges? Try a multipronged strategy. Foremost, put an increased thrust on rainfed areas - they contain the greatest potential for growth. Next, greater emphasis on a reformed watershed programme. Why? The life of our irrigation sources themselves, whether they are

dams (big, medium or small) or wells/tubewells, depends crucially on the treatment of their catchments to reduce rates of siltation, and on groundwater recharge works, which are both key ingredients of watershed development.

Overall aim must be to develop the productivity of dryland agriculture to meet reliably the food security demands of our people in the year 2020. Enhanced food flow would require to be accompanied with enhanced cash flow. At the current level of outlay, the report says, it would take around 75 years for watershed treatment to be completed while we must do it in the next 15 years ploughing Rs. 10,000 crore per annum during this period. Furthermore, it is necessary to reiterate that social engineering is as important as technical engineering. The principles of equity must extend to all dimensions of the watershed programme: conflict resolution, selection of participants, benefit sharing. Its message 'Focus on livelihood support initiatives that can take care of the interests especially of the landless and women'.

On the choice of 'implementing agency' the committee after full debate backs the Constitutionally mandated and democratically elected institutions of 'self-government' - the village panchayats. They are charged in any case with the responsibility for economic and social development. The panchayats would need to be informed and equipped for the purpose. Government have proclaimed much devolution of functions, funds and functionaries but characteristically it is mainly on paper. A Parliamentary Committee found that even after ten years of the 73rd Amendment devolution is mostly 'fraudulent'. The answer is not to by pass the panchayats but make the strengthening of them a precondition.

Neeranchal committee could have detailed a 'systems approach' for the government to fortify the panchayats so as to enable them to handle with aplomb not only watershed programme but watershed-plus.

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